Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper ** Paris, Friday, December 27, 1996 No. 35,404

TODAY: LEISURE In Focus: The Cold Page 8

In Xenophobic Kabul, A Beloved Foreigner

Italian Aid Worker Brings Hope (And Limbs) to War's Maimed

By John F. Burns
New York Times Service

KABUL — In Kabul and other cities of Afghanistan, there is a roll-call of foreigners whose names bring ready approval and disdain.

With a burning sense of their own history, Afghans remember Burnes and MacNaghten and Cavagnari, British officials who led attempts to make Afghanistan a tributary of British rule in 19th-century India, and paid with their lives.

In recent times there have been Brezhnev and Reagan and Thatcher, who made the country a Cold-War battleground in the 1980s, and played their own roles in the wasteland that Afghanistan has become.

And then there is Alberto Cairo.

Mr. Cairo — Alberto to every Afghan who knows him — was never a household name in Italy, where he once worked as a lawyer.

But the slim, trim-bearded, elegant, tennis-playing Italian, who in appearance could easily slip back onto the fashionable piazzas he left behind in Milan and Turin, is incontestably the most appreciated foreigner to have come here in the chaos and war of recent years, at least among those who have suffered worst.

When Mr. Cairo, 44, arrived in Kabul seven years ago, he had left his legal career behind, retrained as a physiotherapist, and accepted an assignment to a war hospital in the Afghan capital run by the International Committee of the Red Cross.

Now, he directs a group of orthopedic centers run by the Geneva-based Red Cross in Kabul, Jalalabad, Herat and Mazar-i-Sharif, four of the country's largest cities, all the while giving away much of his Red Cross salary to help widows, orphans and others in special need.

To Afghans who have been physically disabled in the conflict, perhaps 300,000 people in a population of 16 million, Mr. Cairo is a man who has made it possible for the lame to walk.

For an additional 200,000 and more who have other disabilities that are war-related, like polio and tuberculosis-related deformities that became more common as the war destroyed the basics of health care, the clinics Mr. Cairo runs hold out almost the only hope of regaining at least partial use of their limbs.

To mention Mr. Cairo to a one-legged shoeshine man on a dusty sidewalk in Kabul, or to a sightless, legless vegetable seller in Jalalabad, is to prompt instant recognition. "Alberto!"

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The New York Times

The Italian physiotherapist Alberto Cairo adjusting an artificial limb.

A Massive Strike Idles South Korea

100 Big Firms Hit by Protest Against Secretly Passed Laws

By Kevin Sullivan
Washington Post Service

TOKYO — More than 150,000 South Korean workers went on strike Thursday, and as many as 1.2 million more plan to join them for a one-day work stoppage Friday to protest labor laws enacted by President Kim Young Sam's party during a clandestine predawn session of the National Assembly.

The strike Thursday idled factories belonging to more than 100 major South Korean companies, including the nation's leading car maker, Hyundai Motor Co. Friday's planned stoppage is to affect hospitals, subways and about 5,000 other South Korean businesses, bringing the country's frenetic economy to a virtual standstill

The new labor law and 10 other bills were passed without debate during a six-minute session of the National Assembly that began at 6 A.M. Thursday. The only legislators present were 155 members of the governing New Korea Party, who gathered secretly at four Seoul hotels and drove to the assembly building in hired buses. The speaker, Kim Soo Han, did not attend the session for fear of tipping off opposition legislators who were camped outside his home.

The labor laws would allow companies to lay off workers, which had been virtually impossible before. It also allows them to set more flexible working hours, hire temporary or seasonal help and hire replacement workers during strikes. Mr. Kim's government has argued that the changes are needed to bring South Korea's labor laws in line with global standards, including those of the Organization for Economic Cooperation and Development, which South Korean joined this month.

Furious labor leaders, who had shaved their heads to protest the legislation, began a sit-in Thursday in a tent outside a Seoul cathedral. Opposition legislators threatened a similar sit-down protest at the National Assembly. They joined labor leaders in criticizing Mr. Kim's government for staging what they called a legislative coup d'état under cover of darkness.

The New Korea Party defended its actions in a statement Thursday, saying, "We had no choice but to take emergency steps to rescue our political activity in the National Assembly, which was drifting and blocked by the opposition."

"No one is ashamed of what we've done," a senior government official said. "The party tried its best to persuade the opposition that these laws are good for democracy and that delaying them was not in the best interests of anyone — it was a waste of national energy."

For some in South Korea, Thursday's events were a chilling echo of the country's authoritarian recent past, when mil-

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Police Quash A Big Rally In Belgrade

Heavily Armed Force Avoids Using Violence

By John Pomfret
Washington Post Service

BELGRADE — A solid wall of riot policemen, clutching bulletproof shields, riot sticks and tear-gas canisters, rolled through Belgrade on Thursday, forcing tens of thousands of anti-government protesters to flee a central boulevard as President Slobodan Milosevic moved to quash 37 straight days of demonstrations against his regime.

Thousands of well-armed officers, dressed more for battle than for police work, and hundreds of vehicles took part in clearing central Belgrade's streets, enforcing an order issued by the Interior Ministry, which used the excuse that the protests blocked traffic, to ban the opposition marches. On some streets, phalanxes of policemen, often 10 officers deep, trudged behind retreating protesters, shoving jeering laggards with their shields.

Officials from Zajedno, or Together, an opposition coalition of five political parties that has spearheaded the protests since November, said they expected the police to arrest their leaders soon. The leaders, Vuk Draskovic, Zoran Djindjic and Vesna Pesic, meanwhile, succeeded in holding a smaller protest of about 15,000 people in the pedestrian Square of the Republic, 200 meters away from the main police cordon. Speaking at the foot of a statue of Knez Mihaljo, a Serbian king assassinated in 1860, they vowed to defy the ministry and continue protesting Friday.

The action Thursday was significant in that, despite the huge show of force, Serbian police used little violence. And the police did not stop the opposition from holding a rally; they only limited its scope.

In that way, Mr. Milosevic's maneuver resembled other half-measures he has taken since protests erupted in Belgrade and other towns around Serbia following municipal elections on Nov. 17. Like Thursday, when he toyed with showing the mailed fist, Mr. Milosevic has also toyed at compromise.

"He had to shoot this gun now because if he didn't he would have shown that it was empty," said a Western diplomat. "But now that he's done it, he could still find room to compromise. It is still plausible."

[The United States condemned the crackdown Thursday and said it would hold Mr. Milosevic responsible, Reuters reported from Washington.

["We repeat our call on the Serbian authorities to show restraint and to not interfere with the protesters' democratic rights," a State Department spokesman said. "We continue to hold Milosevic

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Father Christmas is having a rough ride in wintry Bosnia. Page 5.

Russia Gropes for the Civil Society It Never Had

By David Hoffman
Washington Post Service

CHUKHLOMA, Russia — In a steamy, small provincial office, with harsh fluorescent lights and wrinkled linoleum floors, Tamara Dobretsova, a pensioner and passionate anti-nuclear campaigner, presented a startling idea to four clerks, sitting at desks piled with bits of paper and an old abacus.

They had a fighting chance, she said, to defeat the powers of the New Russia. They had a chance, in an upcoming referendum, to stop construction of a half-finished nuclear power plant, which the regional and national authorities wanted to complete.

"Maybe they will not listen to us," whispered Galina Pavlova, 45, a clerk.

"People are ignorant," Miss Pavlova continued. "People are against this atomic energy plant. Of course people are against it. They want their children to be healthy. But who will listen to us?"

First of two articles

Her question goes to the heart of an enormous challenge facing Russian democracy five years after the collapse of the Soviet Union. In that time, Russians have demonstrated they accept the basic building blocks of a democratic society — free speech, free association and free elections. In the last 18 months, they have elected a president and Parliament with voter participation levels higher than in the United States.

But now they confront a forbidding political chasm: how to build a genuine civil society, to link the voters with their leaders, both before and after elections. Civil society is the complex web that allows the ruled to

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TOKYO JITTERS — Traders showing anxiety at the exchange as the yen sagged and a key stock index fell 1.3 percent. (Page 11)

AGENDA

Another Bomb Rocks Algiers

In the second car-bomb attack this week in Algiers, a blast on Thursday killed 10 people and wounded 68 others in a working-class district of the capital. On Monday, a similar bombing killed three people.

Most of the victims in the Hussein Dey district were passers-by, young people and motorists. The explosion occurred at 1:45 P.M. not far from a paramilitary police post and a cultural center. The bombings have been attributed to Islamic extremists. (Page 2)

Bombing in Burma Kills 5 at Pagoda

Burma accused student exiles and Karen insurgents on Thursday of planting a bomb that killed five people and wounded 17 on the outskirts of Rangoon. An initial explosion was harmless. The blasts occurred at a shrine popular with pilgrims, who were visiting a relic believed to be one of the Buddha's teeth. (Page 4)

Rioting in Indonesia

A mob set fire Thursday to churches, commercial buildings and cars in an Indonesian town, according to the police and residents. The crowd of several thousand Muslims rioted after hearing reports that the police had beaten a Muslim religious teacher and two of his students. (Page 4)

Dow Jones	Trib Index
Up 23.83	Up 0.15%
6546.68	148.46

The Dollar

	New York, Thurs. close	previous close
DM	1.5533	1.5547
Pound	1.674	1.6765
Yen	114.93	114.075
FF	5.244	5.2455

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PAGE TWO
The Latest GI Angst: Bosnia Blues

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U.S. Political Money and Loopholes



Jacqueline Arzt/The Associated Press

A shopper looking at a store window in London on Thursday. Post-Christmas sales in Britain begin Friday.

In Most Places, All Sales Are Final

New York Times Service

The chestnuts have been roasted, the wrappings torn open, and as Christmas Day follows Christmas Eve, the urge to return unwanted gifts will drive Americans back to the malls this week in the holiday's most predictable anticlimax.

An estimated 8.6 percent to 12 percent of all goods purchased are returned to U.S. merchants. Outside the United States, however, the custom of dumping undesired gifts is not widespread, as these reports make clear.

Thais Stay Traditional

You can get your shoulders massaged when you get a haircut in Thailand. You can get a shower head repaired instead of throwing it away. But if you do not want the tie you got for Christmas, the store that sold it does not want it either.

"The whole concept of service is different here from what it is in the States," said Kit Young, a musician and longtime resident of Bangkok, "and there is a really different concept of buying an item."

Her comments were echoed by shoppers in Singapore, Malaysia, Indonesia and the Philippines.

In these countries, lifestyles and the mores of the retail trade are changing quickly as living standards rise and American-style shopping malls proliferate.

"Now it is malls everywhere," Sharifah Sani, a travel agent in Malaysia, said. "The prices are fixed. The salesgirls wear uniforms. No bargaining. Everything is by the rules."

— SETH MYDANS

Germans Head to Point of Sale

Germans are avid shoppers between Christmas and New Year because

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Newsstand Prices			
Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Ftals
Egypt	E£ 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

Hostage Crisis Puts Fujimori's Autocratic Style to Its Toughest Test

By Calvin Sims
New York Times Service

LIMA — Shortly after Marxist guerrillas captured the Japanese ambassador's residence in Lima last week, aides to President Alberto Fujimori interrupted an emergency cabinet meeting to tell him that his mother, sister and brother were among the hundreds taken hostage.

Mr. Fujimori, whose autocratic style is well known, is said to have upbraided the aides for offering what he called "extraneous details" that were of little use in resolving the crisis.

The remark was quintessential Fujimori. The iron-willed leader was elected to a second term last year after slashing inflation and rampant terrorism, suspending the constitution to do so. Now, facing perhaps the most difficult crisis of his political life, he shows no sign of abandoning his authoritarian ways.

The Red Cross has been banned from visiting Peru's prisons. Page 10.

While many of his critics have feared that his rigidity is jeopardizing the lives of the hostages, officials and foreign diplomats said they believe the president is a sensible leader who will compromise, but only if absolutely necessary.

"A great deal has been said about Mr. Fujimori's personality," said Alvin Adams, a former U.S. ambassador to Peru, "but I can't think of another person who is as capable as the president to grasp details and concentrate on a viable solution to this most complicated situation."

More than 200 other hostages were released last week, including the president's mother and sister, and 225 were released Sunday, but guerrillas continue to hold more than 100 people, including the president's younger brother and other international dignitaries in a standoff many government officials have said might continue for weeks.

The United States has strongly advised Mr. Fujimori not to comply with the rebels' demand that their jailed comrades be set free. But Japan, a major Peruvian trading partner, has encouraged Mr. Fujimori to end the crisis quickly through active negotiations and without force.

Mr. Fujimori, who is known to keep his own

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Army Angst/ **Bosnia Blues**

For GIs, Trial In Serving Overseas

By Ian Fisher
New York Times Service

BAUMHOLDER, Germany — A year ago Tuesday, Sergeant Steven Strait of Charlie Company led his platoon into Bosnia, celebrating Christmas in the mud while his wife back home at the U.S. base here assembled a toy cash register for their youngest child. It was a time of uncertainty and fear of what the next year would bring them both.

A few days before Christmas this year, Sergeant Strait, 35, a Nebraskan and every inch the picture of a career soldier, found himself sitting warm in his home on the U.S. base here, sliding his socks over his carpet's crew-cut surface. His 4-year-old son, Christopher, played with a pile of presents, and an electric train momentarily derailed in its oval route around the Christmas tree.

It understates things to say he is glad to be back home, but that element of uncertainty still hangs as surely as the garlands on the tree: Home for not even two months, he and the soldiers of Company C, 4th Battalion, 12th Infantry have already received informal word that they could deploy again in the next six months or so, maybe even back to Bosnia. His wife, Stephanie, could not waste even a second wishing away the idea of another long separation.

"You can't just hope it doesn't happen," she said. "It's definitely going to happen."

The mission to Bosnia, which for many members of Company C began exactly a year ago Monday, has underscored some central truths about U.S. Army life today: With the downsizing of the military and the increased role of U.S. troops around the world, soldiers are spending even more time away from home, and worrying more about the strains on their families.

In Bosnia, they suffered stress born of the length of the deployment and the restrictions of a mission that, for the most part, kept them pent up in small compounds, bored and restless. On top of that was the uncertainty of whether they could make an enduring difference in Bosnia.

THE same forces at work on the individuals are reshaping the army as an institution. Lieutenant Colonel Kurt Langenwalter, head of research on the Bosnia mission for the Army Research Group at the Pentagon, said officials were watching carefully to see if re-enlistments dropped because of increased deployments, although the numbers did not yet indicate a problem.

"The theory is: 'What's the straw that going to break the camel's back?' " Colonel Langenwalter said. He said the army wondered if soldiers thought: "I've been on four deployments and boy, it's getting bad, go get a civilian job. Or is it going to be the fifth deployment?"

In fact, the army has begun talking about the need to shift its culture to be more like the navy or the Marine Corps, in which families expect both long deployments and a fuller range of services to help them.

For the soldiers of Company C, who were posted to Bosnia for 10 and a half months, the knowledge that they might be gone again soon has spun an extra thread of complexity into a homecoming that has been both joyous and trying. Most say they have readjusted to family life just fine.

But there have been the inevitable divorces — about half a dozen — and even in happy homes, the return has brought dislocation. Sergeant Maurice Harrison, 28, of Oklahoma City, found that his wife, Twanette, had got along so well without him — paying the bills, hustling their three children around — that he began waking up early to do the laundry to give himself a role in the family.

"I know it was good she was able to do things, but really inside I felt: 'Man, what am I here for?' " Sergeant Harrison asked, both disturbed and amused. "I'm not needed here anymore."

Several soldiers said the long deployment to Bosnia convinced them that the Army was not for them any longer. No one here claims to like it, but some soldiers said they simply accepted being apart from their families as a demand of the job.

Sergeant Harrison said, "As long as I don't get shot, I'll be all right."

He has not decided whether he is going to re-enlist.

Specialist Dennis Hicks, 23, of Philadelphia, who decided in Bosnia not to re-enlist, but only to extend his tour by eight months, said: "I talked to my wife about it. She's tired of it, and I'm tired of it."

Private First Class Ivan Parmerter, 23, sat with his new wife, Nicole, 20, and their 8-month-old baby, Toby, in their cozy new apartment here, decorated for their first Christmas as a family, and said Bosnia had definitely given him second thoughts about the army as a career. Mrs. Parmerter said she was the one who had first talked him into joining.

"We were watching TV one night and the 'Be All You Can Be' commercial came on and I said, 'Why don't you do that?' " she said.

"We talked about the army because in the navy we knew he'd be gone six months at a time. In the army, we didn't think he'd be gone as much."

Sipping iced tea, Private Parmerter said, "When I first came in I planned to stay the full 20 years." Now, he added, "I'm just waiting to see how many deployments I get put through before it's time to get out."

With the signing of the Dayton accord in Paris last December, the U.S. military began funneling nearly 20,000 soldiers into Bosnia, saying that, for reasons of expense and logistics, many of the troops should expect to stay for up to a year.

For the roughly 100 soldiers in Charlie Company, that meant a rushed, early Christmas or none at all.

THEIR stay in Bosnia was filled with both excitement and smothering boredom, from patrols around mass grave sites at Srebrenica to endless cycles of guard duty. Going in, the men had conflicting feelings about whether the United States had a role to play.

Coming out, many still said such peacekeeping missions were a potentially dangerous luxury, but more, it seemed in interviews, said they came to feel the world's strongest army had a moral duty to save lives where it could.

"When we were there no kids died by a bullet," said Specialist David Cullinan, 32, who says he is no sentimentalist. "If we stayed home and let it happen, we're no better than the people doing the killing."

To the army, the pace of deployments is a matter of arithmetic. Since the Berlin Wall fell and the Soviet threat diminished, the number of soldiers has decreased from 781,000 in 1989 to 495,000.

That stands in contrast to the number of what the army calls "major" deployments of soldiers. From 1950 to 1989, years that included the Korean and Vietnam wars, there were 10 such missions.

Since then, there have been 25 major deployments, from the Gulf War to missions in Somalia, Rwanda, Macedonia, Panama and Haiti.



Michael Dalder/The New York Times

Sergeant Steven Strait, just returned from a tour of duty in Bosnia, with his wife, Stephanie, and their three children at their home in Baumholder, Germany.

Israel and Palestinians Press for Hebron Deal

Netanyahu Keeps Pressure on Cabinet; Clinton Is 'Pleased With the Progress'

By Joel Greenberg
New York Times Service

JERUSALEM — As Palestinian and Israeli negotiators pressed on with efforts Thursday to hammer out an agreement on the West Bank city of Hebron by next week, Prime Minister Benjamin Netanyahu kept up pressure on wavering ministers in his cabinet to support the accord.

Yasser Arafat, the Palestinian leader, reported on the Hebron talks to the Palestinian legislative council, and some lawmakers said later that an agreement could be expected by New Year's Day.

A signing would be followed by a swift pullback of Israeli troops from most of Hebron, a city of 160,000 Palestinians, to positions around four enclaves of about 450 Jewish settlers and the Tomb of the Patriarchs shrine, which is considered to be sacred by both Jews and Muslims.

Hebron is the last Palestinian city still under Israeli occupation, and tensions remained high there on Thursday in expectation of a withdrawal.

A firebomb was hurled at a building housing Jewish settlers but caused no casualties — the seventh such attack this week.

Buoyed by a successful mediation effort by Dennis Ross, the Clinton administration's special coordinator for the Middle East, both Israeli and Palestinian officials predicted an agreement within days.

Mr. Ross returned to Washington and reported Thursday on the talks to President Clinton, and is expected back in the Middle East on Monday to help conclude the negotiations.

A White House statement said the president was "pleased with the progress."

Edward Abington, the U.S. consul general in Jerusalem, said Mr. Netanyahu and Mr. Arafat would probably meet to finalize the deal.

Palestinian legislators said that Mr. Arafat had reported that the Hebron agreement would be accompanied by Israeli commitments, guaranteed by the United States, to carry out further provisions of the Israeli-Palestinian self-rule accords.

These include additional withdrawals in rural areas of the West Bank in six weeks, prisoner releases, and arrangements for Palestinian travel through Israel between the Gaza Strip and the West Bank.

Mr. Netanyahu, who has demanded parallel commitments from Mr. Arafat to keep his part of the accords, was busy on Thursday persuading members of his cabinet that the Hebron deal ensures the security of the settlers better than an agreement that was reached by the Labor government.

By the end of the day it appeared that Mr. Netanyahu had lined up support of at least 10 ministers in the 18-member cabinet, including those from the strictly Orthodox Shas party.

The ministers remaining in opposition included Ariel Sharon, the hawkish former general who has criticized the security arrangements as inadequate; Binyamin Begin, the son of former Prime Minister Menachem Begin who has staunchly opposed the accords with the Palestinians; two members of the pro-settlement National Religious Party, Zevulun Hammer and Yitzhak Levy, and a minister from a Russian immigrant party, Yuli Edelstein, who lives in a West Bank settlement.

Mr. Netanyahu has also faced resistance from other quarters of the religious right.

Rabbis from the influential Hassidic movement, Habad, met the prime minister on Thursday to appeal against the hand-over of most of Hebron to Palestinian rule.

Habad had campaigned effectively for Mr. Netanyahu in the Israeli election last May, promoting him as "Good for the Jews." On Wednesday it produced a letter from him containing a campaign promise not to hand over "more areas of the Land of Israel to foreign sovereignty."

A prominent group of nationalist rabbis, including heads of yeshivas whose students serve in the army, renewed a religious edict calling on soldiers to disobey orders to withdraw from Hebron.

"We say again that there is a strict prohibition against taking part in the abandonment of a part of the Land of Israel, and certainly Hebron," said Rabbi Eliezer Waldman, who leads a yeshiva in the neighboring settlement of Kiryat Arba.

"Soldiers must not follow an order that is against a commandment of the Torah," he said.

Many settlers and their supporters say they have been bitterly disappointed by Mr. Netanyahu, who they voted for in the belief that he would back their cause, but who is now poised to carry out the Hebron withdrawal.

Prominent among these critics is Hagi Ben-Artzi, Mr. Netanyahu's brother-in-law, who has moved in recent weeks to Hebron to show his support for the settlers there.

In a radio interview that was broadcast this week, Mr. Ben-Artzi said that Mr. Netanyahu was no longer fit to be a nationalist leader.

"There is no doubt," Mr. Ben-Artzi said, "that a political leader who will go down in history as the person who separated the Jewish people from Hebron, from the graves of the patriarchs and matriarchs, will no longer be able to lead the national camp."

Paris, Too, Doubts TWA Bomb Theory

By Craig R. Whitney
New York Times Service

PARIS — The director of the French government agency that investigates air disasters has said he agrees with American safety investigators who say that a mechanical problem probably led to the explosion of TWA Flight 800.

"It's not my investigation, and I'm not passing judgment on it," the director, Paul-Louis Arslanian, said the other day. "But if I were in charge of the investigation, based on the evidence so far, I don't think I'd be coming to a different conclusion than the one they appear to be drawing."

Mr. Arslanian does not hesitate to take issue with the National Transportation Safety Board in Washington when he thinks it is wrong.

He did so just last summer, when the French agency took vigorous exception to a safety board report attributing the 1994 crash of an American Eagle turboprop plane to inadequate information from the plane's French manufacturer and French aviation authorities about the difficulty of flying the plane in weather than encourages the buildup of ice on the wings and tail. Those conditions existed on the day of the crash, in Indiana, which took the lives of all 68 people aboard.

"We were in complete disagreement on that case, and we did not hesitate to say so," Mr. Arslanian said, recalling that the French agency, the Bureau Enquetes-Accidents, had criticized the American pilots and air traffic controllers for ignoring advice that was available on handling the French-made plane, an ATR-72, in icing conditions.

But in the case of Flight 800, the Boeing 747 that blew up off Long Island on July 17, killing all 230 people aboard — including 42 French passengers — Mr. Arslanian said he concurred with the U.S. safety board.

He and his investigators have worked with the American investigators since July, trying to learn the cause of the disaster.

Based on their examination of the evidence and his own observations, Mr. Arslanian said that without some piece of the plane proving otherwise, it was probably a mechanical problem that led to the explosion of the plane.

In France, where the powerful American commercial aircraft industry is seen as a ruthless rival, a conclusion of mechanical failure would be seen as a blow to Boeing Co., which built the plane.

Would Mr. Arslanian be as confident of the integrity of the American investigation if the Flight 800 plane had been an Airbus made in Toulouse instead of a Boeing made in the United States?

"Accident investigations have nothing to do with national pride," he said.

Mr. Arslanian met last month with representatives of the families of French victims of the Flight 800 crash and told them that mechanical failure appeared to be the most likely cause of the disaster.

At the time, some of the French families were inclined to believe reports that a U.S. Navy missile had accidentally brought down the plane and that American officials were covering up the incident.

"That wouldn't be possible," Mr. Arslanian said. "Think of how many hundreds of navy people would have to be involved in a cover-up. Americans talk too much for that."

Like his American counterparts, Mr. Arslanian noted that the investigators would keep looking for pieces of the plane. But, he concluded, "I think that for all practical purposes, the investigation is over."

With about 95 percent of the plane recovered from the ocean floor, National Transportation Safety Board and FBI officials have not formally ruled out a bomb or missile.

But officials of the safety board let it be known that they were leaning toward the theory that the plane was destroyed by an explosion of a nearly empty center fuel tank after fumes were ignited by a spark of static electricity from a fuel line.

Flight Lands Man in Prison

The Associated Press

SAVANNAH, Georgia — An airline passenger who became so unruly that the pilot turned the plane around has been sentenced to 51 months in prison.

Judge William Moore of U.S. District Court also ordered Gary Lee Lougee, 40, of Pooler, Georgia, to perform 200 hours of community service and pay USAir $611.35 for fuel spent in returning to Savannah.

Mr. Lougee appeared drunk when he boarded the flight to Charlotte, North Carolina, on July 6, said Dan Drake, spokesman for the U.S. attorney's office. He pushed a flight attendant and had to be subdued by crew members, Mr. Drake said.

Mr. Lougee pleaded guilty to interfering with flight crew members and was sentenced last week.

Another Car-Bomb Explosion Kills 10, Wounds 68 in Algiers

Agence France-Presse

ALGIERS — A car bomb killed 10 people and wounded 68 others in a working-class district of Algiers on Thursday, according to an official toll.

Officials earlier said seven people had died.

It was the second such attack this week, after a bombing in the city center on Monday that killed three people. The bombings have been attributed to Islamic extremists.

Most of the victims in the Hussein Dey district on Thursday were passers-by, young people and motorists. Broken glass, tiles and other wreckage was strewn over a 100-meter area.

The explosion occurred at 1:45 P.M. not far from a paramilitary police post and a cultural center.

At least four cars caught fire, and a bus was also hit.

The Armed Islamic Group has recently reimposed a reign of terror over the Kasbah, the old quarter of the city, where armed men kill people, either by slitting their throats or by machine-gunning them, sometimes in broad daylight.

In July, more than 15 people were killed and many were wounded in a wave of bombings against cafés in Algiers and other towns. Those attacks were also blamed on fundamentalists, for whom cafés are considered places of "debauchery."

Cheap cafés are often frequented by men, but others are sought out by lovers and families wanting to get away from often overcrowded apartments in a country facing a housing crisis.

Some bars in central Algiers discreetly sell alcohol, mainly beer, to regular customers, but popular music and games of cards and dominoes have largely disappeared for fear of the fundamentalists, who consider them to be un-Islamic.

TRAVEL UPDATE

Africa Flights Resume

ABIDJAN, Ivory Coast (Reuters) — Air travel improved across West Africa on Thursday as air traffic controllers in 15 countries appeared divided over a strike that disrupted Christmas flights.

Union leaders said they were extending their initial 48-hour strike by another 72 hours because authorities had not addressed their pay demands.

But controllers in key airports affected by the strike returned to work, allowing flights to operate normally across most of the region, airport officials said. By late afternoon, they said, the stoppage had been called off in Abidjan; Dakar, Senegal; Bamako, Mali, and Cotonou, Benin.

Strike at Israeli Airport

JERUSALEM (AP) — Workers walked off their jobs Thursday at the airport in Tel Aviv and at sea ports in a one-day strike to protest the government's proposed 1997 budget cuts and privatization plans.

The strike called by the Histadrut Trade Union Federation is to be the first in a series. More workers are to join the protests Sunday and Monday, with a general strike Tuesday, the union said.

Venice spent Christmas under water for only the second time this century as heavy rains and high seas caused it to flood. Local authorities said that although conditions improved Thursday, St. Mark's Square remained flooded. The lowest point in the city, the square has been flooded on 99 days so far this year. *(Reuters)*

The highest malaria rates ever recorded in Indochina — Cambodia, Laos and Vietnam — are devastating villages in northeastern Cambodia, The Cambodia Daily reported Thursday. *(AFP)*

An agency to promote tourism in the Mekong region is to begin operations in Bangkok on Jan. 1, the Tourism Authority of Thailand said Thursday. The Mekong region includes Burma, Cambodia, China, Laos, Thailand and Vietnam. *(AFP)*

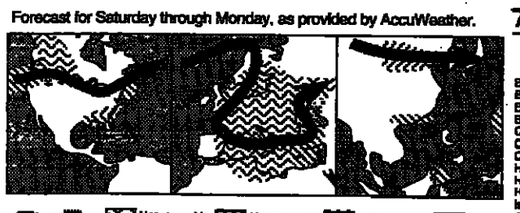
Correction

An article in the Asia/Pacific section of the Business/Finance pages of Thursday's editions misspelled the name of the founder of Kyobo Life Insurance of South Korea. His name is Shin Yong Ho.

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WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



North America
Pleasant from Boston to Washington, D.C. Saturday with sunshine; it may shower Sunday, then blustery and cold Monday. Rain and snow, perhaps heavy, in Seattle this weekend, while heavy rains soak Portland, Oregon. Rain possible in San Francisco Sunday and Monday.

Europe
Windy and cold in Istanbul this weekend with snow, perhaps heavy. Very cold weather will continue from Paris to Brussels to Hamburg to Moscow Saturday through Monday; there might be a little snow in northwestern Europe Sunday and Monday. Sunshine this weekend in Glasgow.

Asia
Mostly cloudy in Hong Kong Saturday through Monday and rain is likely by Monday. Mostly sunny in Tokyo and Osaka Saturday through Monday. Sunshine in Seoul Saturday, partly cloudy Sunday and sunny again Monday. Sun Saturday, Sunday and Monday in Shanghai.

Europe

	Today High	Today Low	Tomorrow High	Tomorrow Low
	C/F	C/F	C/F	C/F
Algarve	18/64	12/53 pc	17/62	7/44 c
Amsterdam	-1/31	-3/27 sn	-2/29	-4/25 sf
Ankara	5/41	-6/22 sn	2/35	-9/16 sn
Athens	10/50	8/46 r	9/48	1/34 r
Barcelona	6/43	4/39 pc	7/44	3/37 pc
Belgrade	-1/30	-16/4 sf	-3/26	-8/18 sf
Berlin	-6/22	-9/16 c	-6/22	-7/20 pc
Brussels	-2/29	-5/24 sn	-4/25	-7/20 sn
Budapest	-11/13	-14/7 s	-5/22	-8/18 sn
Copenhagen	-3/27	-6/22 sn	-3/27	-3/27 pc
Costa Del Sol	18/61	10/50 s	18/64	6/43 sh
Dublin	7/44	4/39 s	8/46	3/37 pc
Edinburgh	5/41	2/35 pc	8/46	2/35 s
Florence	-1/31	-4/25 pc	-4/25	-9/16 c
Frankfurt	-7/20	-10/15 c	-6/22	-9/16 pc
Geneva	-3/27	-11/13 pc	-9/16	-12/11 sn
Helsinki	-4/25	-4/25 sn	-4/25	-8/18 pc
Istanbul	3/37	-1/31 r	9/48	1/34 r
Las Palmas	22/71	15/59 pc	22/71	16/61 pc
Lisbon	13/55	9/48 c	13/55	6/43 sh
London	4/39	-1/31 pc	3/37	-4/25 pc
Madrid	9/46	0/32 s	11/52	-3/27 sh
Mallorca	4/39	3/37 pc	5/41	-3/27 pc
Milan	-3/27	-7/20 pc	-8/18	-13/9 sn
Moscow	-1/30	-17/2 pc	-10/15	-11/13 pc
Munich	-8/18	-14/7 pc	-10/15	-13/9 sn
Nice	9/35	-5/24 pc	-1/31	-6/22 sf
Oslo	-1/31	-5/22 c	1/34	-3/29 s
Paris	-3/27	-8/18 pc	-6/22	-10/15 sf
Prague	-10/15	-14/7 pc	-9/16	-12/11 pc
Reykjavik	3/37	3/37 sn	12/53	5/41 sh
Rome	2/35	-2/29 pc	0/32	-6/22 c
St. Petersburg	-7/20	-7/20 sn	-6/22	-9/16 pc
Stockholm	-1/31	-4/25 sn	-2/29	-3/27 s
Strasbourg	-3/27	-9/16 c	-8/18	-11/13 sf
Tallinn	-4/25	-4/25 sn	-4/25	-8/18 pc
Venice	-3/27	-6/18 s	-7/20	-11/13 sn
Vienna	-10/15	-14/7 pc	-6/22	-9/16 sn
Warsaw	-11/13	-13/9 pc	-6/22	-8/18 pc
Zurich	-4/25	-10/15 pc	-10/15	-12/11 sf

Middle East

Abu Dhabi	26/79	13/55 s	26/79	14/57 pc
Beirut	25/77	17/62 s	22/71	15/59 pc
Cairo	28/82	15/59 s	20/68	12/53 pc
Damascus	19/66	7/44 pc	18/61	7/44 pc
Jerusalem	18/64	8/46 pc	14/57	7/44 pc
Luxor	28/82	13/55 s	29/79	9/48 pc
Riyadh	26/79	10/50 s	23/73	12/53 pc

North America

	Today High	Today Low	Tomorrow High	Tomorrow Low
	C/F	C/F	C/F	C/F
Anchorage	-8/18	-18/0 s	-11/13	-14/7 pc
Atlanta	18/64	11/52 c	17/62	9/48 c
Boston	7/44	-2/29 pc	7/44	3/37 pc
Chicago	4/39	1/34 c	11/52	1/34 c
Dallas	18/64	12/53 pc	20/68	6/43 c
Denver	11/52	-6/22 pc	12/53	-4/25 pc
Detroit	3/37	1/34 c	9/48	3/37 c
Honolulu	24/75	18/64 sh	27/80	19/66 pc
Houston	21/70	17/62 c	22/71	11/52 c
Los Angeles	17/62	7/44 sh	21/70	9/48 pc
Miami	27/80	20/68 pc	27/80	19/66 pc
Minneapolis	-7/20	-7/20 s	3/37	-10/18 pc
Montreal	-2/27	-5/24 c	6/43	1/34 c
Nassau	27/80	18/64 pc	28/79	18/64 pc
New York	9/48	1/34 pc	10/50	4/39 pc
Orlando	27/80	17/62 pc	29/79	19/61 pc
Phoenix	19/66	9/48 pc	19/66	9/48 pc
San Fran.	12/53	7/44 sh	13/55	10/50 pc
Seattle	1/34	-3/27 sn	3/37	2/35 r
Toronto	3/37	0/32 pc	13/55	3/37 pc
Vancouver	-7/20	-10/9 sn	-1/31	-1/31 sn
Washington	10/50	2/35 pc	13/55	4/39 pc

Asia

	Today High	Today Low	Tomorrow High	Tomorrow Low
	C/F	C/F	C/F	C/F
Bali	33/91	22/71 s	33/91	23/73 pc
Bangkok	30/86	20/68 pc	30/86	19/66 pc
Beijing	7/44	-5/24 c	4/39	-4/25 pc
Bombay	30/86	17/62 s	30/86	19/66 pc
Calcutta	27/80	13/55 s	24/75	12/53 pc
Chiang Mai	30/86	18/64 pc	31/88	17/62 pc
Colombo	27/80	22/71 c	29/84	23/71 pc
Hanoi	21/70	14/57 pc	21/70	15/59 pc
Ho Chi Minh	31/88	22/71 pc	31/88	22/71 pc
Hong Kong	18/64	13/55 pc	18/64	13/55 pc
Islamabad	21/70	7/44 r	22/71	9/48 sh
Jakarta	29/84	22/71 pc	29/84	24/75 pc
Karachi	27/80	11/52 s	27/80	12/53 pc
K. Lumpur	31/88	22/71 sh	31/88	23/73 pc
K. Kinabalu	27/80	22/71 pc	28/82	23/73 pc
Manila	30/86	22/71 pc	31/88	22/71 pc
New Delhi	23/73	6/43 pc	23/73	8/46 sh
Phnom Penh	28/82	17/62 s	27/80	21/70 s
Phuket	30/86	20/68 pc	34/93	19/66 pc
Rangoon	31/88	21/70 pc	29/84	19/66 pc
Seoul	6/43	-3/27 pc	8/43	-3/27 s
Shanghai	14/57	6/43 s	12/53	3/37 s
Singapore	28/82	23/73 pc	28/82	23/73 pc
Taipei	18/64	13/55 pc	18/64	13/55 pc
Tokyo	9/48	1/34 s	13/55	3/37 pc
Vientiane	19/66	14/57 pc	20/68	13/55 pc

Africa

Algiers	11/52	3/37 pc	16/61	3/37 pc
Cape Town	24/75	12/53 s	17/62	13/55 pc
Casablanca	23/73	12/53 pc	18/64	7/44 pc
Harare	28/79	9/48 pc	28/79	10/50 pc
Lagos	31/88	22/71 pc	31/88	23/73 pc
Nairobi	29/84	12/53 s	27/80	14/57 pc
Tunis	7/44	0/32 pc	9/48	1/34 s

Latin America

Buenos Aires	31/88	19/66 pc	28/82	15/61 pc
Caracas	29/84	22/73 t	29/84	23/73 c
Lima	24/75	18/64 pc	23/77	19/66 pc
Mexico City	19/66	6/43 pc	18/66	7/44 pc
Rio de Janeiro	28/82	22/71 pc	28/82	22/71 pc
Santiago	30/86	11/52 s	29/84	11/52 pc

Oceania

Auckland	20/68	17/62 c	22/73	18/66 c
Sydney	22/71	18/66 c	27/80	20/68 c

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snowflurries, sn-snow, Hos, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

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THE AMERICAS

Campaign '96: A Year of Living Not-So-Dangerously With 'Honest Graft'

By David E. Rosenbaum
New York Times Service

WASHINGTON — This was the year when all semblance of restraint in political-campaign financing in the United States went by the boards.

The candidates for president and Congress and their advocates raised and spent an estimated $2 billion on their campaigns, almost double what had ever been spent before on an election.

There were prominent scandals: John Huang, a Democratic operative who had worked in the Commerce Department, raised large sums illegally from an Indonesian conglomerate and other Asian interests. Vice President Al Gore held a fund-raising event at a Buddhist temple. A finance vice chairman of Bob Dole's presidential campaign, Simon Fireman, was convicted of laundering illegal corporate donations to the Dole campaign, fined $6 million and sentenced to detention in his Boston home with an electronic monitor around his ankle.

But to many, the worst outrages were not the illegal ones but the activities of politicians and donors in both parties that slipped through the many loopholes of the campaign-finance law.

By the end of June, the 50 largest donors — corporations, unions and trade associations, all prohibited by law from giving money directly to candidates — had used legal bypasses to spend more than $800,000 apiece to support the candidates of their choice, and these sums have grown in the last six months. Philip Morris Cos., AT&T Corp., the trial lawyers association and the Teamsters, to name some of the top givers, had donated well over $2 million each. Hedging their bets, most big donors gave to both parties.

"Not so long ago," said Michael Lewan, a Washington lobbyist who has raised money for Democrats for years, "a senator or a fund-raiser would call and ask for $1,000 and you'd give them $500 and they'd be grateful. People now call and ask me to get my clients to give $100,000 or $200,000 or $250,000."

Large contributors were openly rewarded with support for the government policies they advocated, dinners at the White House and seats on international trade missions.

Indeed, the news broke so fast this year that often the context was lost. How, for example, are companies able to skirt a law that has prohibited corporate contributions to federal candidates since 1907? What did the big donors expect in return? Why don't politicians or the Federal Election Commission or the courts or somebody else put an end to what George Washington Plunkett, the turn-of-the-century Tammany Hall boss, called "honest graft?"

The answers are varied. With the campaign going full bore, the Supreme Court last summer ruled that legal restrictions on what political parties could spend on behalf of candidates violated the First Amendment. Republican senators filibustered to death the latest attempt at campaign finance reform. And Congress gave the election commission about 15 percent less money than the agency initially said it needed to enforce the law.

"Pure and simple, this year the wheels came off," said Fred Wertheimer, former president of Common Cause, who has worked on campaign-finance issues for more than 20 years.

To keep matters in perspective, a number of basic points should be kept in mind.

NEWS ANALYSIS

In political circles, campaign-finance laws are treated more like nuisances — comparable, say, to parking rules — than like serious sanctions that must be followed in letter and spirit.

"What was most extraordinary this year was the way everyone — Democrats, Republicans, corporations, unions, everyone — thumbed their noses at the law," said Ellen Miller, executive director of the Center for Responsive Politics, a nonprofit, nonpartisan organization that tracks campaign-finance matters.

"The law puts up minimum hurdles," Ms. Miller added. "In 1996, every hurdle was jumped with ease. The parties and the candidates operated as if there were no regulations whatsoever."

Corporate contributions to candidates for president and Congress have been outlawed since 1907. Contributions from labor unions have been prohibited since 1943. A 1974 law passed in the aftermath of the Watergate scandal limits individuals to total contributions of $25,000 a year to federal candidates and no more than $2,000 per candidate ($1,000 each for a primary and general election). The law allows individual donations of $20,000 to a political party and $5,000 to political-action committees, which are formed usually by business, labor or ideological groups to raise money and distribute it to candidates supporting their interests.

Those restrictions were conspicuously breached this year by what are known as soft-money contributions and independent expenditures.

Since 1978, the Federal Election Commission, the enforcement agency established by the 1974 law, has allowed the political parties to raise money without limit from corporations and unions for party-building activities like administrative expenses, bumper stickers that say "vote Democratic" or "vote Republican," voter registration and get-out-the-vote drives.

Since 1992, when the commission ruled that these contributions had to be disclosed publicly, the parties have raised more of this so-called soft money each year. For the 1992 election, $89 billion was raised; for 1994, $107 billion, and when all the figures are tallied this year, they will probably total $250 billion, divided evenly between Democrats and Republicans.

The only rule on the source of soft money — one Mr. Huang apparently broke — is that it must come from people who live in the United States or companies that at least have a subsidiary here.

In addition, without further word from the election commission, the parties have expanded each year the definition of what uses the money can be put to. This year, for the first time, the parties used the money for television advertisements that were theoretically not coordinated with the candidates but were virtually indistinguishable from those the candidates produced for themselves. This may not have been legal, experts in the field say. No matter.

By the time the election commission and the courts catch up with the perpetrators, the 1996 election will be long over, and the winners safely ensconced in their seats of power.

It is impossible to prove exactly what donors get in return for their contributions. A direct payoff would clearly be illegal, a violation of the bribery statutes. The stock answer from politicians and contributors alike is that all that is expected and all that is returned is better access to the politicians for the donors.

Yet, this answer depends on believing, for instance, that there is no connection between the millions of dollars that the agribusiness giant Archer-Daniels-Midland Co. and its chairman, Dwayne Andreas, have donated over the last quarter century to politicians from both parties and the multibillion-dollar tax break the government allows for ethanol, one of the company's main products.

Representative Barney Frank, Democrat of Massachusetts, once put the matter this way, "We are the only people in the world required by law to take large amounts of money from strangers and then act as if it has no effect on our behavior."

Huge Drug Bust Shakes A Texas Border County

Some Say Agents, Arresting 79, Went Too Far

By Sam Howe Verhovek
New York Times Service

ROMA, Texas — Hugging an isolated stretch of the Rio Grande along the Mexican border, Starr County has long had a reputation as a haven for smugglers. In past decades, the booty was alcohol or cattle; these days, it is drugs.

But even as people here have become accustomed to periodic crackdowns by drug enforcement officials and arrests of local citizens, no one can quite recall a sweep of the magnitude of a recent federal operation. In all, 79 people were arrested and charged with involvement in a marijuana-smuggling ring that federal officials describe as a multimillion-dollar enterprise.

Nearly all the defendants are from Starr County, which the Census routinely lists as one of the poorest in the county, or two adjoining counties, Zapata and Hidalgo. Assets from the drug ring are said to have been plowed into several popular local businesses, including the Golden R Meat Market, a convenience store in Roma, and the Fronton Car Wash and Body Repair Shop.

In Fronton, a farming hamlet a few miles west of Roma where a half-mile dirt road leads to the Rio Grande, 15 of the 400 residents were rounded up and sent to jail in Houston, 350 miles north. These arrests were made in a one-day sweep last month that began when federal and state authorities set up a roadblock and checked the licenses of everyone leaving Fronton.

The crackdown has stunned just about everyone here and left both supporters and critics of the operation fearful. Most family members and supporters of the defendants said they were afraid of retaliation by law-enforcement authorities if they spoke out against the government's effort.

People who favor the crackdown said they feared retaliation by major drug rings based in Mexico or by the local families who they said had helped smuggle drugs for years. Many people refused to give their names when discussing the case.

"If these people are guilty, then what the government has done is a good thing," said Judge Jose Martinez, the chief elected official of Starr County. But he quickly added: "I'd hate to think innocent people are being harassed. I have no indication one way or another."

While some welcome the operation as a sign that the authorities are finally getting serious about stopping drug smuggling, many others insist that the government went much too far, with many innocent people swept up in its wake.

"This whole thing is out of control," said Clemente Sandoval, whose brother-in-law, Jorge Luis Garcia, a ranch hand for one of the families that has been described as being involved in the smuggling, was among those arrested.

"I just don't think Jorge was involved in this at all," he said. "If he was making all this money off of drugs, why was he broke all the time?"

Prosecutors in the U.S. attorney's office in Houston, who plan to try all 79 defendants together, said they could not discuss the specifics of Mr. Garcia's or any other defendant's case. In offering a broad outline of the charges, though, the prosecutors have said that a few local families with ranching and other business interests have for years been allowing Mexican smugglers to bring marijuana onto their land and store it there.

Five men — Pedro Moreno, Rudolfo Arias and three brothers, Ramiro, Ricardo and Roberto Riojas — have been charged with engaging in a continuing criminal enterprise under what is often called the "kingpin statute," and could face life in prison.

Most of the other defendants are charged with abetting them. Authorities say they have seized at least 13,000 pounds of marijuana in Starr County in the past three months.

Even Behind Bars, Cali Cartel Is Alive and Well

By Douglas Farah
Washington Post Service

BOGOTA — When the police raided the maximum-security prison here earlier this month, they found more than they had bargained for.

Not only had imprisoned leaders of the Cali cocaine cartel been arranging to have legislators bribed, as had been widely alleged for some weeks, but the drug lords possessed detailed information on how to fly illegal drugs into the United States and instructions on circumventing the Colombian judicial system, the police said.

The Dec. 8 raid on La Picota Prison was authorized after the police intercepted telephone calls from the prison by two brothers, Miguel and Gilberto Rodriguez Orejuela, and another convicted drug trafficker, Ivan Urdinola, to their lawyers. It laid bare the extent to which the Cali cartel continues to run its business from jail, despite government claims to the contrary.

"The problem is the tremendous corruption at all levels of the prison system," said a police commander, General Rosso Serrano.

Justice Minister Carlos Medellin said recently that there would be an investigation at the prison.

The United States has voiced growing concern about the continuing operations of imprisoned cartel leaders and raised the issue with Foreign Minister Maria Emma Mejia during her visit last week to Washington.



Juan Miguel Gomez/Reuters

Defense Minister Juan Carlos Esguerra and Alfonso Valdivieso, a prosecutor, conferring about the corruption inquiry at La Picota Prison.

The State Department spokesman, Nicholas Burns, said the United States would monitor the situation closely as Washington decides whether to certify Colombia next year as cooperating in the international fight against the illegal drug trade.

This year, the Clinton administration did not certify Colombia because of evidence that President Ernesto Samper's 1994 presidential campaign accepted $6 million from the Cali cartel. Mr. Samper denies the allegations.

Most of the leaders of the Cali cartel were arrested or surrendered to the police in the summer of 1995 and have confessed to minor drug-trafficking charges in exchange for sentences that, in effect, will keep them in prison for fewer than 10 years. All are being held in the same wing of La Picota Prison, which the police say allows them not only to live in comfort, but to set up alliances and negotiate strategies for distributing drugs and bribing officials.

It is not difficult for the cartel leaders, who have amassed billions of dollars, to tempt prison guards who earn less than $400 a month.

"They clearly feel they are safer and can operate more comfortably from a prison they control than they could as fugitives," an intelligence officer said. "They have a sophisticated communications network they run through a pay phone at the prison and carry on business without interference."

After the tapped telephone conversations revealed that the traffickers were trying to arrange for the bribery of key congressmen, former Vice President Humberto de la Calle Lombana called for immediate, drastic action.

"There is a government that is governing more than the government, and it is not at the presidential palace," said Mr. de la Calle, who resigned as vice president earlier this year. "It is in La Picota."

But Colonel Rafael Pardo, the official responsible for prison security, said: "One cannot say they are committing crimes from prison. What we discovered is that they were violating a few prison regulations."

According to the police, at La Picota, where seven of the Cali cartel's leaders are being held with their principal bodyguards, virtually unlimited access is permitted to traffickers' families and lawyers.

Because many visitors are not searched, the police said, many often carry in whatever will fit under their clothes.

POLITICAL NOTES

Doomsaying on Welfare Cuts

LOS ANGELES — The New Year's cutoff of federal Supplemental Security Insurance benefits to recipients who are disabled by alcohol or drug addiction will increase crime and homelessness significantly and cost local governments millions of dollars in emergency general assistance payments and medical care, according to some drug policy experts and state and local welfare officials.

California welfare officials said the cutoff, which is mandated in the welfare legislation President Bill Clinton signed in August, could cost the state's 58 county governments $45 million in additional general relief payments alone.

States and counties will absorb an additional financial burden when alcoholics and drug addicts, whose Medicare eligibility is linked to their SSI coverage, lose their health coverage and turn to county hospitals for care. *(WP)*

Indonesia Link to U.S. Park?

WASHINGTON — When President Bill Clinton designated 1.7 million acres of Utah wilderness as a national monument, he dashed plans to tap a huge reserve of environment-friendly coal.

The White House says the president acted to preserve a beautiful, exotic place, named Kaiparowits by the Paiute Indians. Critics see a connection to Indonesia, which already mines such cleaner fuel.

Andalex Resources, a U.S. mining company owned by a British family, holds leases on Kaiparowits and was nearly ready to break ground on a Utah mine that would produce about 3 million tons of coal. It reversed course after Mr. Clinton's announcement.

"Our position is that the monument designation makes the coal mine project unfeasible," said David Shaver, project manager at Andalex.

The 62 billion tons of coal found beneath the area's red-rock cliffs burns hot but emits far less polluting sulfur than most coal mined in the United States. It is known as "super compliance" coal because its properties meet Clean Air Act standards. Similar coal is mined in Indonesia.

Some of the coal was destined for Japan, which buys a lot of coal from Indonesia, officials said.

A farm trade publication and some talk shows have raised questions in recent weeks about whether Mr. Clinton's decision might benefit Indonesia and its Lippo Group, a conglomerate at the center of a controversy over campaign contributions to Mr. Clinton and the Democratic Party. *(AP)*

Quote/Unquote

Senator Sam Nunn, expressing regret that he did not vote to authorize the Gulf War, saying it hurt his credibility and killed any chance of his running for president: "If there was any kind of 10 percent possibility I was going to run before that, that was eliminated during that period because I knew perfectly well that the position I had taken on that war in the next election would become the major debating point." *(AP)*

Away From Politics

• An anti-abortion activist says he was detained by Secret Service agents after he told President Bill Clinton during a Christmas Eve church service that "God will call you to account." No charges were filed, and the Secret Service declined to comment. *(AP)*

• Mumia Abu-Jamal, the death row inmate whose case attracted an international following, plans a second appeal of his conviction in the 1981 murder of a Philadelphia police officer to the Pennsylvania Supreme Court after a judge ruled that prison officials improperly opened letters from his attorneys. *(NYT)*

• Ovarian cancer patients who receive drugs directly in their abdomen rather than intravenous chemotherapy live longer and have fewer side effects to the toxic treatment, a new study says. *(AP)*

• Arkansas's former governor, Jim Guy Tucker, received a new liver on Christmas Day and faces months of recovery — and another Whitewater prosecution after conviction on fraud and conspiracy charges. *(AP)*

Drug-Related Juvenile Crime Doubles in 5 Years

By Pierre Thomas and John Fountain
Washington Post Service

WASHINGTON — The number of juveniles charged with narcotics-related crimes across the United States has more than doubled since the beginning of the decade, even though the nation's overall crime rate continues to fall.

The police have encountered growing numbers of youths who are possessing, making or selling illegal drugs, particularly marijuana. The number of arrests has jumped from 64,740 in 1990 to 147,107 in 1995, recently released FBI crime statistics show.

The escalating number of juveniles being arrested for drug-related crimes appears to be directly linked to the increase in drug use among youths. An annual nationwide survey by the University of Michigan recently showed that the use of illegal drugs, particularly marijuana, increased again last year among U.S. schoolchildren.

"It's a ticking time bomb," said Thomas Constantine, head of the Drug Enforcement Administration. "It's like a generation has lost the message."

Lloyd Johnston, a researcher on the University of Michigan drug survey, agreed that "generational forgetting" was in place, with juveniles less knowledgeable, and as a consequence less fearful, of the ramifications of drugs.

"The message is that all of us need to talk to youth," said General Barry McCaffrey, President Bill Clinton's drug policy director, noting that the increase in arrests reflects a shift in youth attitudes that began in 1989.

With juvenile attitudes toward drugs softening, law enforcement officials are scrambling to address the problem.

"Narcotics use seems to be going up considerably," said Colonel M. Douglas Scott, chief of police in Fairfax County, Virginia. "There's a higher percentage of kids using. The availability is there."

The increased availability of drugs has been accompanied by the emergence of drug-dealing gangs, which often are willing to use children in their narcotics-peddling operations. Earlier this year, federal authorities said police and sheriff agencies across the country estimated that approximately 652,000 gang members are part of 25,000 gangs and that gang problems are worsening in 48 percent of the communities participating in the survey.

The problem is straining already taxed public resources.

The problem is "getting worse," said Cheri Walter, deputy director of the Department of Youth Services in Ohio.

Four years ago, 40 percent of juveniles convicted of serious crimes in Ohio had substance-abuse problems that required residential drug treatment. Today, about 70 percent do.

Every juvenile detention center in the state is now equipped with a substance-abuse unit that includes access to assistance groups such as Alcoholics Anonymous and Narcotics Anonymous. Still struggling to cope, Ohio is planning to create a third substance-abuse center for juvenile offenders.

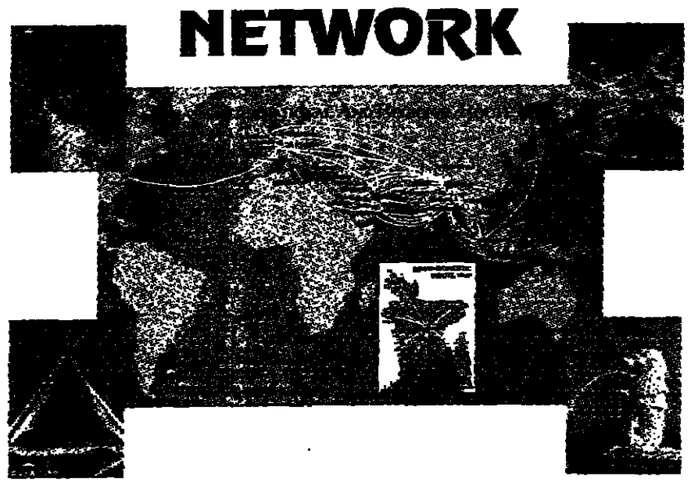
The increase in juvenile narcotics activity in recent years is particularly discouraging because the trend runs counter to other general declines in crime. Last year, the rate of violent crime continued to drop. Also, after rising for nearly a decade, the number of juveniles charged with violent crime inched downward in 1995.

Now some experts fear that hard-gained ground in battling narcotics may be lost.

As gangs and drug operations began to expand their influence among juveniles, national anti-drug rhetoric did not keep pace, some officials said. The nation's anti-drug media blitz died down with the beginning of the Gulf War and is struggling to recover, said Daniel Rosenblatt, executive director of the International Association of Chiefs of Police.

"What we have learned is that we can never drop our guard," Mr. Rosenblatt said. "The effort needs to be continued on all fronts."

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Bombing at a Pagoda Kills 5 Near Rangoon

Deaths Follow a Harmless Initial Blast

Compiled by Our Staff From Dispatches

RANGOON — Burma accused student exiles and Karen ethnic insurgents on Thursday of planting a bomb that killed five people and wounded 17 at a pagoda complex on the outskirts of Rangoon.

The bomb exploded Wednesday night while investigators were examining damage from a blast that occurred two hours earlier.

There were no casualties in the first explosion in the Maha Pasana cave, a Buddhist shrine popular with pilgrims and leaders of the military regime, where thousands pay homage daily to a relic believed to be one of the Buddha's teeth.

Lieutenant General Tin Oo, third in command of the ruling State Law and Order Restoration Council, had visited the shrine three hours before the first explosion.

State-run Radio Rangoon, monitored in Bangkok, said the explosions were caused by time bombs, while a Burmese government information sheet received in Bangkok spoke of a small "timed mine."

The information sheet quoted intelligence reports as saying that the All Burma Student Democratic Front and the Karen National Union "have concocted a plan to destabilize the peaceful situation prevailing in the country by terrorist activities."

The two bombs exploded within slightly more than two hours of each other as visitors thronged the complex to pay homage to the relic, on loan from China. The first caused no casualties but the second was deadly.

It was not clear how many people were inside the man-made cave next to the Kaba Aye pagoda, north of Rangoon.

The information sheet said that terrorists had intended to destroy the relic itself in order to create a diplomatic conflict with China.

The dead included a Red Cross worker, a police officer and two people in a civilian organization linked to the government, the official newspaper New Light of Myanmar reported Thursday.

A monk, six police officers and five visitors were among the wounded, the newspaper said. A second officer died later. All of the victims were believed to be Burmese.

After the second explosion, the cave was closed. Security was tight Thursday, but worshipers were allowed to pray at the pagoda.

The second bomb had been hidden in a vase where flowers offerings were being made to the relic, the information sheet said.

Security was stepped up Thursday around the Chinese ambassador's home and official Chinese offices.

Burmese government officials were not available for comment.

Earlier, the official press linked the explosions to "destructive elements," a term usually referring to supporters of the pro-democracy leader, Daw Aung San Suu Kyi, as well as Communist guerrillas whom the regime blames for whipping up student unrest.

The government has cracked down this month on student protesters demanding more civil liberties. The student demonstrations marked the biggest street unrest since the regime gunned down thousands of pro-democracy marchers in 1988.

The Chinese Embassy condemned the bombings Thursday as a "terrorist action."

The tooth was not damaged, the newspaper said. The tooth is believed to be one of two remaining since the Buddha's death 2,500 years ago. *(AP, AFP)*

Muslim Mob Sets Town Afire In Indonesia

Reuters

JAKARTA — An Indonesian mob, apparently incensed by a report that the police had beaten a Muslim religious teacher, set fire Thursday to churches, commercial buildings and vehicles, the police and residents said.

They said the West Java town of Tasikmalaya, about 200 kilometers (125 miles) southeast of Jakarta, appeared to be under siege with smoke billowing from burning buildings.

Residents contacted by telephone said policemen and troops had sealed off the town of about 500,000 people, but there were no immediate reports of casualties.

They said the crowd of several thousand people, many of them youths, rioted after the police had beaten the Muslim teacher and his two students.

"Yes, the rioting is connected to that case," a Tasikmalaya police official said. "The rioters are still going around town, and we are monitoring the situation."

Another policeman said earlier that three Christian churches were among the buildings set on fire. A resident said two stores were reported to be burning. Several cars had also been set afire.

In October, in the last major religious riot in the predominantly Islamic country, 25 churches and a temple burned down and five people died in the Situbondo area of East Java.

This riot was sparked by a court case in which a Muslim heretic received a jail term for blasphemy.

The police official in Tasikmalaya said more than 200 policemen had been deployed and reinforcements had been sought from Bandung, about 120 kilometers to the northwest.

He said the police were trying to determine the extent of the damage in Tasikmalaya, a key road and rail transit town from Jakarta to central Java.

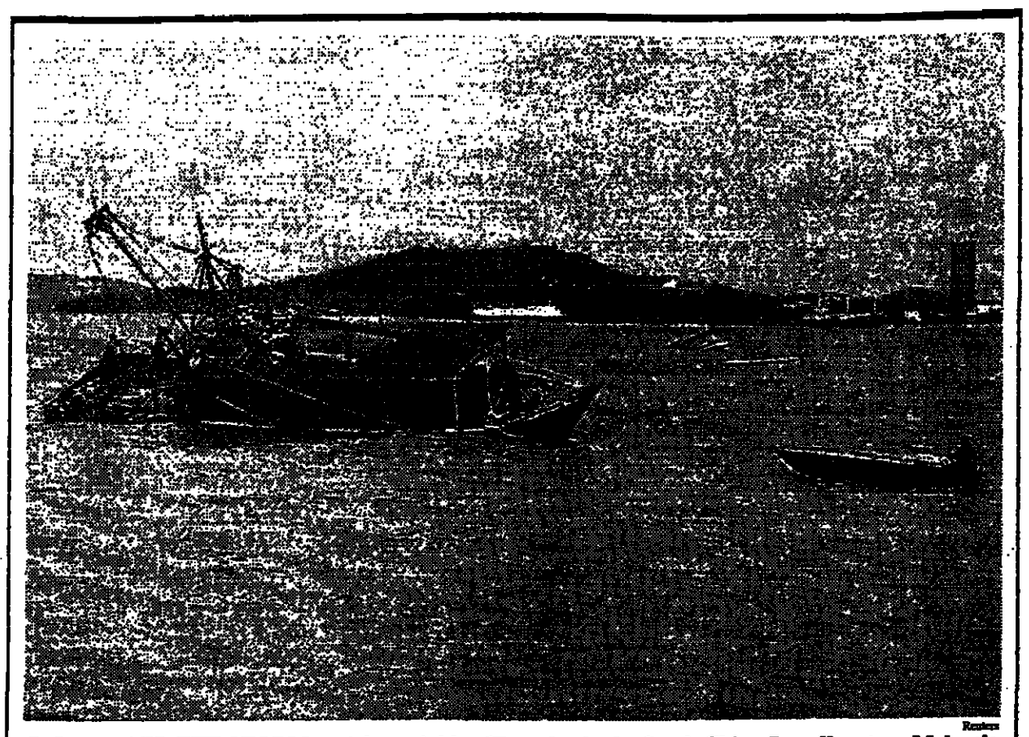
A resident, Chuisan, said several churches, commercial buildings and houses had been badly damaged.

"There's a group of people knocking on my door right now," he said.

Like many Indonesians, Mr. Chuisan uses only one name.

Another witness said the police and soldiers had cordoned off the town. He said he could see smoke billowing from the town center.

Political and religious analysts say Christian churches become targets for mob violence in Indonesia primarily for economic and social reasons, because Christians are usually the more affluent members of the community.



Reuters

CALM AFTER THE STORM — A boat sinking Thursday in the South China Sea off eastern Malaysia after a tropical storm lashed the area with high winds and swept away 100 people and 500 houses.

BRIEFLY ASIA

China Tightens Grip on Internet

BEIJING — China said Thursday that it planned to strengthen its already strict controls over the Internet.

China Consumers Daily, an official newspaper, did not provide details on the controls. But they are apparently part of government efforts to combat pornography and "cultural rubbish" — a term Chinese authorities use for things they consider unhealthy or politically suspect.

Internet users were required earlier this year to register with the police, and Beijing has warned that laws against pornography, social disturbances and breaches of state security apply on-line.

Government censors have aalso blocked Chinese access to web sites operated by some U.S. news agencies and human-rights groups. *(AP)*

Bhutto Left 'Empty Treasury'

ISLAMABAD, Pakistan — Malik Meraj Khalid, Pakistan's interim prime minister, said Thursday that Pakistan's treasury was almost empty when former Prime Minister Benazir Bhutto left office last month.

When Miss Bhutto's government was dissolved on Nov. 5, Pakistan had not enough funds "even to purchase petrol for two weeks," Mr. Khalid said while inaugurating a high-pressure gas pipeline at Lahore.

Miss Bhutto was dismissed by President Farooq Ahmed Leghari, who accused her government of rampant corruption and misrule. She has denied the accusations against her and challenged her dismissal at the Supreme Court. New elections are set for Feb. 3.

Mr. Khalid said he had initiated an accountability process which would continue until all corrupt officials were given "due punishment." *(AFP)*

Ramos Checks Out of Hospital

MANILA — President Fidel Ramos of the Philippines checked out of the hospital Thursday after neck surgery to remove a life-threatening blockage in an artery to his brain.

"All's well that ends well," Mr. Ramos said as he stepped out of the elevator at the suburban Makati Medical Center.

Mr. Ramos underwent a 75-minute operation Monday to remove cholesterol buildup in an artery on the right side of his neck. He underwent a round of medical tests Thursday before leaving the hospital. His doctor, Raul Fores, said chances of a recurrence were low, but advised Mr. Ramos, 68, leader to limit his activities until he fully recovers.

A palace statement said the president went to his official residence near the presidential palace for an hour, then headed to the office. *(AP)*

Sri Lanka Peace Talks Rumored

COLOMBO — A sudden visit to India this week by President Chandrika Bandaranaike Kumaratunga of Sri Lanka has raised speculation of renewed peace talks with Tamil Tiger separatist guerrillas, analysts said Thursday.

"India could probably play the role of a facilitator in peace talks," said Harry Goonetileke, a former air force officer. "I always believed there is an India factor in our ethnic problem. I feel some discreet discussions are on the cards."

Mrs. Kumaratunga arrived in India with her two children on Tuesday on what was officially described as a holiday, but she is scheduled to hold talks with Prime Minister H.D. Deve Gowda at the end of her visit.

Indian and Sri Lankan officials have played down reports of a link between Mrs. Kumaratunga's visit and rumored peace initiatives with the Tigers. *(Reuter)*

Japan Opposition Fragments Further

By Nicholas D. Kristof
New York Times Service

TOKYO — Japan's main opposition party crumbled a bit more Thursday when one of its founding members bolted to form a new party.

Former Prime Minister Tsutomu Hata led the split, taking 12 members of Parliament with him to form the Sun Party. While the new party is not expected to be a major force anytime soon, the breakup underscored the instability in Japanese national politics and in particular the travails of the opposition.

Japan has never really had a two-party political system, and, while a political realignment may be under way, there is not much sign that a two-party system will result. For now, by far the strongest political force in Japan remains the long-ruling Liberal Democratic Party of Prime Minister Ryutaro Hashimoto.

While Mr. Hata said that the Sun Party would cooperate at times with other opposition groups, the split will make it easier for Mr. Hashimoto to preside over the government without having to look over his shoulder. For now the focus of attention is on conflict within the opposition, rather than confrontation between the opposition and ruling camps.

"We chose the party's name because we aim to be the nucleus of the opposition camp, tenacious and bright," Mr. Hata said.

"This is a little bit painful," he added, referring to splitting from the New Frontier Party that he helped to found. "But our intention is to form a separate party to promote further progress, and I would like to make this an opportunity for Japanese politics to function better."

The question is whether New Frontier will splinter further in the coming months. Some leading members left in September to form the Democratic Party. Some analysts expect another former prime minister, Morihiro Hosokawa, to defect from New Frontier.

None of the wrangling has much to do with party policies. Rather, the main source of tension has been the strong leadership — or autocratic style, depending on who is speaking — of the New Frontier's top leader, Ichiro Ozawa.

Mr. Ozawa is widely acknowledged as a brilliant election strategist and a master of backroom maneuvering. But as a party boss, he seems unable to look at feathers without ruffling them, and the result has been a series of internal power struggles.

The Liberal Democrats won national elections in October in large part because of opposition disarray. In many constituencies, the Liberal Democratic candidate won with a minority of the vote because the opposition was divided among the New Frontier, the Social Democrats, the Democratic Party and the Communists.



AP

Former Prime Minister Tsutomu Hata, who, with 12 members of the opposition, formed the Sun Party.

Prime Minister Of Singapore 'Furious' Over U.S. Criticism

Compiled by Our Staff From Dispatches

SINGAPORE — Prime Minister Goh Chok Tong of Singapore said Thursday that he was "furious, flabbergasted and floored" over U.S. criticism of his election campaign tactics.

A State Department spokeswoman on Tuesday criticized Mr. Goh and other People's Action Party candidates over their use of a housing-upgrade program to woo voters.

The Foreign Affairs Ministry later accused Washington of interfering in Singapore's domestic affairs.

"I was astounded yesterday when I heard of this report," Mr. Goh said during campaigning for elections Thursday in which his People's Action Party is assured a majority.

"Yes, we have to respond officially," the prime minister said when asked if Singapore would respond to the comment from the U.S. State Department.

Mr. Goh and other ministers have told voters they would lose out on renovation programs that would increase the value of their homes if they elected an opposition candidate. Mr. Goh said their housing estates would get left behind and become slums.

On Wednesday, the U.S. State Department said: "We understand that ruling party candidates, including the prime minister, have warned that constituencies that elect opposition candidates will receive low priority in extensive government plans to upgrade housing facilities."

"We believe that voters everywhere should be able to vote without fear of repercussions from government as a result of their responsibilities as citizens," the State Department added.

The Foreign Affairs Ministry called the comments "undisguised interference in Singapore's domestic politics."

"This is not the first time that U.S. officials have tried to influence domestic politics in Singapore," the ministry added. "In the U.S., the use of political advertisements to scare voters with the prospect of losing health and welfare entitlements if they should vote for the wrong party has been honed to a fine art."

The ruling party, which has won every election in Singapore since 1959, was returned to power Monday even before an election date had been set. Candidate nominations closed Monday with opposition parties challenging only 36 of the 83 Parliament seats up for grabs.

Mr. Goh and former Prime Minister Lee Kuan Yew were among the party's top figures who were declared automatically re-elected when no candidates challenged them in their districts.

Mr. Goh said the State Department remarks were "totally absurd, and it took me 10 minutes to calm myself down before I could face the press conference."

"This is a local election and what we offer the people as a program is no more different from what any candidate anywhere else will offer their electorate," he added.

The Foreign Affairs Ministry said Singapore had not commented on elections in the United States, where it said there were endless opportunities for comment.

"But this is not how countries should conduct relations with each other. We expect U.S. officials to accord us the same courtesy," it said.

Mr. Goh said that the government had also had to protest in 1988 over the actions of a U.S. diplomat. Singapore requested that E. Mason Hendrickson be withdrawn, he said, because the diplomat had been encouraging an opposition member, Francis Seow. *(Reuters, AFP)*

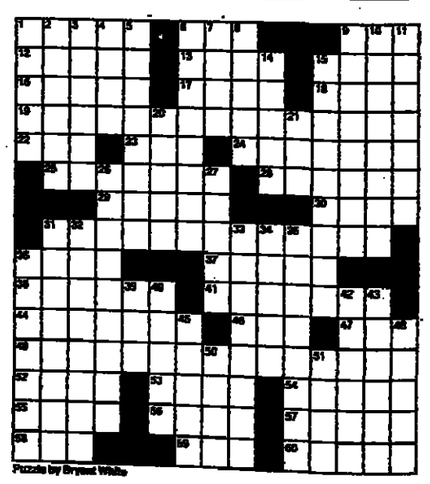
CROSSWORD

ACROSS

1 Amassed, with "in"
6 English channel
9 Org. founded in 1890
12 Shaped like a May apple
13 Swede's name
15 Design style, informally
16 International copyright center
17 Word with military or heating
18 12/24 and 12/31
19 Slots
22 Voting day: Abbr.
23 "Holy smokes!"
24 Young women, Down Under
25 Ming the Merciless, e.g.
28 It's also called Plexiglas
29 Nancy's opposite number, once
30 Out of port
31 They hang around in the tropics
36 Small fastener
37 Full of pep
38 Erasure, in Rouen
41 Places in control again
44 Gelid
46 Like some verbs: Abbr.
47 Group with the hit CD "Monster"
49 Field day contest
52 Eye drop
53 Nanking nanny
54 Eastern prince
55 Doesn't keep up
56 Number of shoes?
57 Lover, in Le Havre
58 Ample shoe width
59 Shaver
60 1911 song "I – – Girl . . ."

DOWN

1 Gog, of film sci-fi
2 Means of access
3 Law, after 1971
4 Lab item
5 Popular game
6 Nickname for a Nova Scotian
7 Range of frequencies
8 Plagiarizes
9 Infernal
10 Protective overlays
11 Site of the Bay of Whales
14 "60 Minutes" correspondent
15 Commits
20 Video game hero
21 Opposite of alt
26 They'll make a play for you
27 Scientific breakthrough of the 30's
31 Windpipes
32 Delivery of goods by ship
33 Journeyed through snow
34 Bibliothèque item
35 Lose one's balance?
36 Nutty confection
39 Lobster coral
40 Greek name for Greece
42 Nerva's successor
43 *Intersecting line*
48 Relinquish
48 Bombay-born conductor
50 Mideast zone
51 1961 hit "– – Lama Ding Dong"



Puzzle by Bryant White

© New York Times/Edited by Will Shortz

Solution to Puzzle of Dec. 26

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OPINION/LETTERS

Discrimination, Pure and Simple

By Richard Cohen

WASHINGTON — If the first casualty of war is truth, then the first casualty of the debate about affirmative action is language. By way of evidence, I submit the statement of Mark Rosenbaum, a civil rights lawyer who hailed a recent pro-affirmative action judicial decision in California: "This decision ... defeats the *efforts* to take government out of the business of eliminating discrimination." In other words, it keeps government in the business of using discrimination to battle discrimination.

Whatever its virtues — and they are *not* negligible — affirmative action always has been plagued by a reluctance to use the English language as God, Shakespeare and Mr. Traeger, my high school English teacher, intended. The fact of the matter is that about the only way you can ensure that certain minorities get into, say, the California university system in anything approaching their proportion of the general population is to ensure that others are not admitted. This is discrimination, and a lot of people — in fact, a majority of Californians in the last election — said they did not like it one bit.

This reluctance, this down-right *inability* to speak plainly, plagues all sorts of affirmative-action programs and results, even at the highest levels. We had *the example* just the other day of President Bill Clinton realizing literally at the eleventh hour that his new cabinet lacked a Hispanic. So at a meeting that lasted until after midnight and into the day when he was scheduled to announce his appointments, the president got a bright idea: Federico Pena for energy secretary.

Does Mr. Pena know anything about energy? Not really. Does he know anything much about being a cabinet secretary? Here again the answer is not much. He has been the secretary of transportation and was scheduled to leave the administration without, as far as anyone could tell, the White House expressing much regret.

In fact, Mr. Pena is best remembered for scurrying down to Florida to praise ValuJet after one of its planes plunged into the Everglades. For a moment, you would have thought he represented the airline industry and not — or not also — the public.

The president now has a cabinet with the requisite everythings — although it is a bit short of talent. Janet Reno, chosen originally because she is a woman, remains a woman and not much of an attorney general. Civil libertarians will note that she used her one appearance before the Supreme Court to advocate yet greater expansion of police powers — in this case, the right to order all passengers, not just the driver, out of a stopped automobile, including the aged and the infirm. Some members of the Supreme Court were appropriately appalled.

Diversity is a noble goal, but the pursuit of it can get both silly and dangerous. At the start of his first term, Mr. Clinton wanted a cabinet that *looked like America*. He dropped that language this time around, but not, it seems, the goal. Regardless, the idea is preposterous.

Of the cabinet's 14 members, African-Americans (3) are overrepresented and so are Jews (2). Women (4) are sorely underrepresented and so are Hispanics (1). The cabinet has no Asians, no Muslims and no acknowledged homosexuals. It's not America. It's a political concoction — *and so* it should be.

Diversity in politics is not a new idea. In many American cities, tickets had to be balanced — Italians, Jews, Irish, African-Americans, Hispanics, Poles, you name it — and the exercise was supremely cynical. But it never posed as anything other than what it was. Nowadays, though, a pretense is made about merit, and so we have witnessed President George Bush's ludicrous praise of his Supreme Court nominee Clarence Thomas, or President Clinton's midnight discovery that Mr. Pena is the best person in all the United States to run the Department of Energy.

The result is that language itself gets corrupted. The obvious is denied. The word "discrimination" gets to be used only one way — majority against minority — and even those labels get used where, as in some local situations, they do not apply. (In Washington, the majority is a minority.)

As when dictatorships are called people's republics or firings disguised as layoffs, you get the sense that something important and ugly is being obscured. In the case of affirmative action or, often, diversity, it's that certain people are being chosen over other people on the basis of race or sex. That — *no matter* who does it and for what reason — is discrimination, and it used to be considered wrong. To call it anything else is an abuse of language — in other words, a lie.

The Washington Post.

Double-talk Will Not Help Black Children

By Ellen Goodman

BOSTON — What would Henry Higgins make of this? What if he went to teach a flower girl the King's English only to discover that her local school board had declared Cockney another language?

In Oakland, California, they are involved in a modern remake of the Pygmalion story. A school board faced with the failure of too many African-American students has now decreed slang to be a valid and different language.

Using the dense vocabulary of Academese, the board members also called for classes to be taught partially in Ebonics "for the combined purposes of maintaining the legitimacy and richness of such language and to facilitate their acquisition and mastery of English language skills."

By fiat, they have transformed black street talk into Ebonics and put Ebonics — that offspring of "ebony" and "phonics" first conceived in academic circles — on a par with French or Chinese.

They have made "I be" the linguistic equivalent of "je suis."

What do you say to school board members so desperate that they have declared their students to be foreigners in their own country? Is it defeatism that says the poorest black children in inner cities live in another country, where they literally don't speak the same language?

What do you say to parents and teachers so torn between the desire for respect and the desire for learning that they too become "bilingual"?

The irony is that too many Americans are tongue-tied, speaking only one language in a diverse world. But Ebonics is a second language for a second-class life. It's a "language" defined, or invented, by people who did not get their Ph.D.s or their jobs speaking it.

MEANWHILE

Even the proud Eliza Doolittle was realistic and ambitious enough to know that she needed a verbal passport to a better life. When she came to the impossible Higgins for English lessons, it wasn't to become a Fair Lady but to work in a flower shop. She said, "They won't take me unless I can talk more genteel."

Like any American descended from immigrants, I know something about language and culture. In the era when my father, the first American-born child in his family, started school, many teachers were, shall we say, "unencumbered" by sensitivity training. A sometimes stated goal of public schools in my city and others was to "Americanize" children from families that were overtly described as illiterate and superstitious, the "refuse" from other, teeming shores.

There were those teachers whose only interest in self-esteem was in their own. My father would talk of college friends who grew up ashamed to speak German or Italian at home, ashamed of their immigrant parents and ashamed of their shame. There was a lot of heat applied to the melting pot that we look back upon with such nostalgia.

But there was also a commitment — however ruthless — to integration, to preparing children to enter the new world. The community was invested in their collective future.

I do not think you have to destroy a child's self-respect or respect for parents in order to make her life better than theirs.

It's not hard to understand the motive of Toni Cook, an Oakland board member, to "quit saying there's something wrong with a majority of the children." Instead of calling it bad English, call it Ebonics. But it will not do to shuck children or each other. These children, who watch television in their homes, do *not need a simultaneous interpreter.* Black English is not the language of Maya Angelou or Jesse Jackson. Ebonics is not the African English spoken by South Africa's Archbishop Desmond Tutu or the incoming UN secretary-general, Kofi Annan.

In school districts that are already stunningly segregated by race, Ebonics is now touted as a tool for teaching what is called Standard English. But to validate slang as the "real black talk" undermines the English lesson. It teaches that the poorest inner-city culture is the "real" black homeland.

English is a rich and diverse language. In America alone, there are distinct dialects and speech patterns that go far beyond the inner cities, ranging from the "hollers" of Appalachia to the down east reaches of Maine. But it is also known that if you only speak your mother's tongue, you may only lead your mother's life. Any child who wants to travel to a wider world needs to talk his way out.

That's what missing in Oakland's debate about language: straight talk.

The Boston Globe.

LETTERS TO THE EDITOR

Going Exploring

Regarding "Look, Up in the Sky! It's a Turkey!" (Opinion, Dec. 18) by Daniel S. Greenberg:

The writer's denigration of the international effort to create a space station reminds me of the naysayers who decried Columbus's voyage of discovery as unlikely to provide a financial return.

The space station is a practical undertaking that can enrich the world. In the short run it may offer less than a multiplicity of small, relatively inexpensive probes. But if we are going to be more *than grubbers on the Earth,* which we are steadily degrading, we will have to go beyond pecking at potential cosmic knowledge.

The riches of space will not be gold or diamonds but knowledge that will have undreamed of uses and value in the third millennium and beyond.

GERALD C. HARDY.
Manchester, Connecticut.

Democracy's Spread

I read with interest the editorials "NATO Expansion" *(Dec. 13)* and "Club of Democracies" *(Dec. 14).* Needless to say, we in Poland *disagree with the first and* fully agree with the second. We do not regard expansion of NATO as a move toward enlarging the military alliance. On the contrary, we see it as the consolidation of democracy in Eastern Europe.

More than a year ago, the *Polish government declared* itself in favor of concluding a strategic treaty between NATO and Russia. This is the best proof that we do not want to be a "frontline state."

Building a new European architecture is not a zero-sum game. We should all profit from that endeavor. We in Poland would be happy to be Russia's true partner in that project.

ADAM BROMKE.
Warsaw.

The writer is an adviser to Poland's prime minister on foreign policy.

Future of the UN

The selection of Kofi Annan as UN secretary-general offers a unique chance to redefine the role of the United Nations and to establish what long-term reforms and responsibilities it should undertake. Paramount among those responsibilities is for the UN to continue as an instrument of international peace. To fulfill that role it has to have not only the mandate but also the respect and cooperation of all member states.

The world confronts a transitional period of widespread social upheaval, ethnic violence and unrivaled complexity in relations among countries. The management of international relations requires that the UN reflect a balance of opinions and that no country or group of countries dictate the policies of the organization.

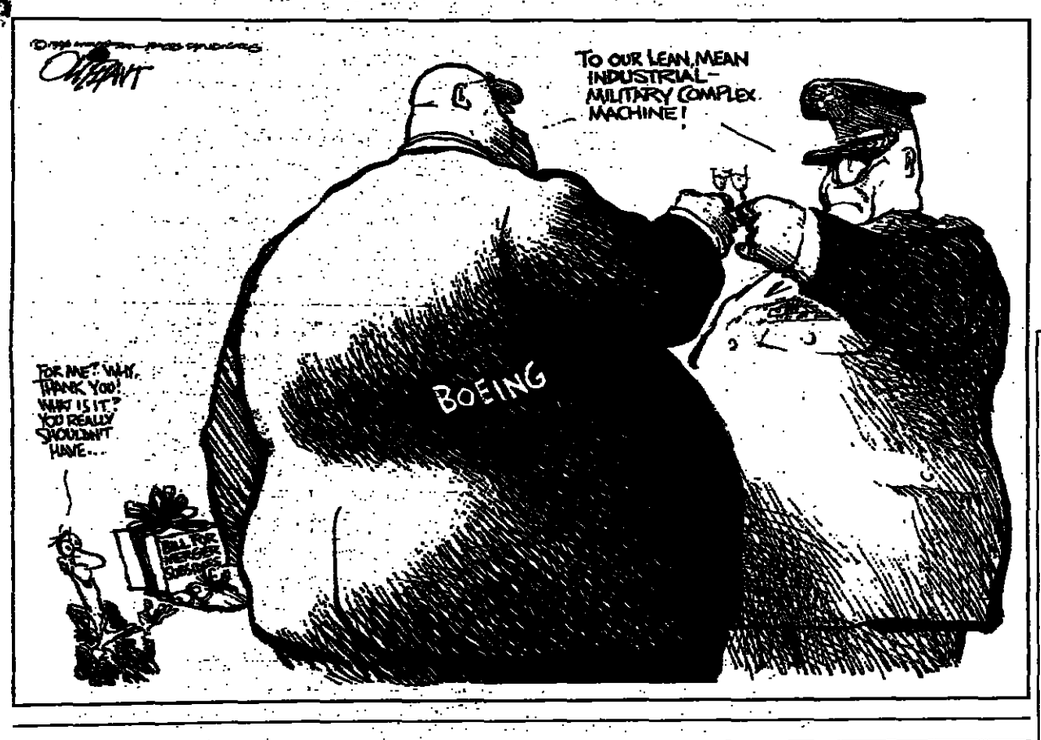
Through the UN Development Program and other agencies, the UN has contributed to improve the economic situation and further the development of the poorest countries. As a former Ecuadoran delegate to the UN, Miguel Albornoz, said: "In the developing countries, the UN does not mean frustration, confrontation or *condemnation. It means* environmental sanitation; agricultural production; telecommunications; the fight against illiteracy; the great struggle against poverty, ignorance and disease."

CESAR CHELALA.
New York.

Street Courage

I hope the people who have been marching in the streets of Serbia realize that their demonstrations and courage are widely noticed and admired, and that the worldwide contempt now felt toward the Serbian government does not include contempt for the Serbian people.

GEORGE BUEHLER.
Freeland, Washington.



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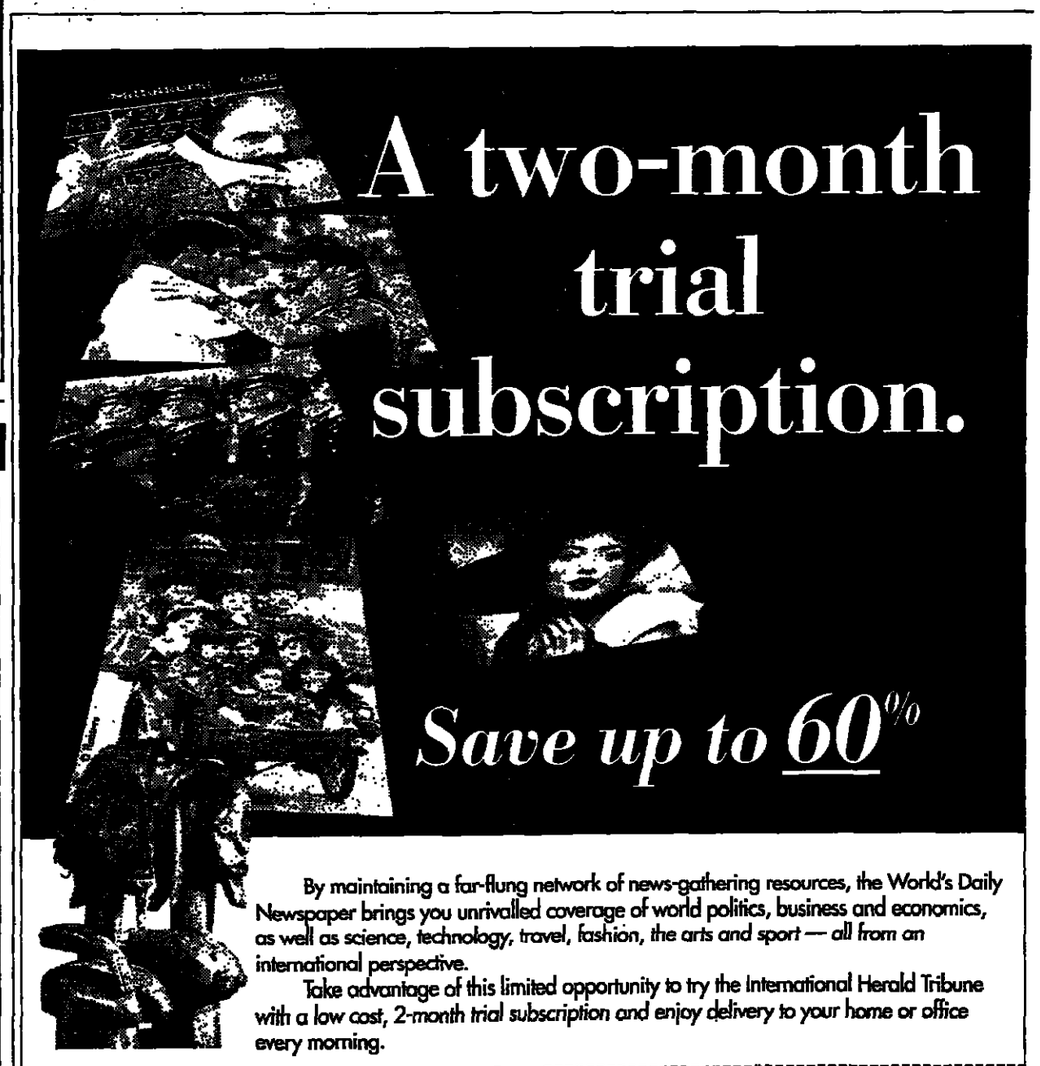
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DINING

Paris Setting, Belgian Style

By Patricia Wells
International Herald Tribune

PARIS — For years I walked down Rue Racine, always lingering to study and admire the fanciful though long neglected Art Nouveau exterior of the defunct Bouillon Chartier, a populist chain of restaurants founded in 1860 by a butcher, Pierre-Louis Duval. His idea was to serve simple meals at a single price, and the specialty was boiled beef (*bouilli*) served with its stock. Young waitresses — known as *petites bonnes* — replaced the traditional *garcons*, donning white headdresses and frilly white aprons. The menu grew, as did the restaurants' popularity and number, and Duval was quickly imitated. (The Chartier copycat still exists at 7 Rue du Faubourg Montmartre, in the 9th arrondissement).

It comes as no surprise to find other romantics in the food world: As the chef Olivier Simon wandered about Paris in search of a place he could embrace, he found this glorious two-story restaurant, complete with its undulating chandeliers, stylized atelier-style windows, stained glass and giant beveled mirrors. He found willing partners in several Belgian breweries, as well as France's Department of Historic Monuments, which carefully oversaw the painstaking job of bringing the Belle Epoque treasure back to life.

A BEER FOR EVERY TASTE Open since mid-November, Le Bouillon Racine has quickly become an active neighborhood spot, where beers like Benedictine Mardesous, Broucsella 1900 and Westvleteren Abt lead an extensive hit parade of special brews. With a cuisine devoted to the best of Belgium, the food here is hearty and filling even without the help of several thirst-quenching beers.

But even if you are not a beer lover, loosen up a bit here, for what you'll find is Belgium's best artisanal brews, including the Palm Speciale on tap, a light and golden beer that's honey-like and pleasantly bitter at the same. Equally satisfying is the house Blonde de Bouillon, a pale, golden pilsner that's very, very dry. Bouillon Racine also offers many versions of Gueuze Lambic, unique spontaneously fermented wheat beers from the Senne Valley, west of Brussels, and a collection of beers produced by Cistercian monks at five different abbeys, including the strong (9 percent alcohol) Chimay Bleu, with its deep copper color and creamy, dense head.

All this talk of beer brings on a strong appetite, the better to tuck into chef Simon's ethereal mousse prepared from *jambon d'Ardennes* and accompanied by a juniper-berry-flavored gelatin. At once salty, creamy and pungent, it's an ideal palate waker-upper, accompanied by a fine dark bread from master baker Jean-Luc Poujaran. Equally hearty is the generous casserole of mussels, tiny shrimp and baby clams (though I wish the chef had tried to rid the shellfish of sand with a bit more care).

THE rabbit braised in beer was fitting and filling, though the accompanying fries were a bit anemic and undercooked. The classic waterzooi — poached chicken bathed in cream and vegetables — was warming and generous, one of the finer versions of the dish I've ever sampled.

The menu, which changes monthly, includes Belgium's greatest hits — such as shrimp croquettes, river eel in green sauce and the brioche-like *cramique* with currants and raisins — but also features a number of attractive-sounding dishes that depend upon beer for their character, including suckling pig roasted with the emphatically bitter Orval beer and rack of lamb roasted in a pale *biere blonde*.

The decor — all in celadon green and ocher — puts one in a festive mood, and service is impersonal but effective. At lunchtime, the restaurant becomes a tea salon, featuring the teas of Mariage Freres, organic herb teas from Herbes du Luxembourg, and hot chocolate from Brussels.

Le Bouillon Racine, 2 Rue Racine, Paris 6; tel: 01 44 32 15 60. Closed Sunday. Master Card, Eurocard and Visa. 78-franc and 87-franc lunch and late-night menus; 108-franc lunch and dinner menu. A la carte 105 to 220 francs, including service but not wine or beer. Open until 1 A.M. Tea salon service from 2:30 to 6 P.M.

In Bleak Winter, Joys of a New-Found Land

By Katherine Ashenburg

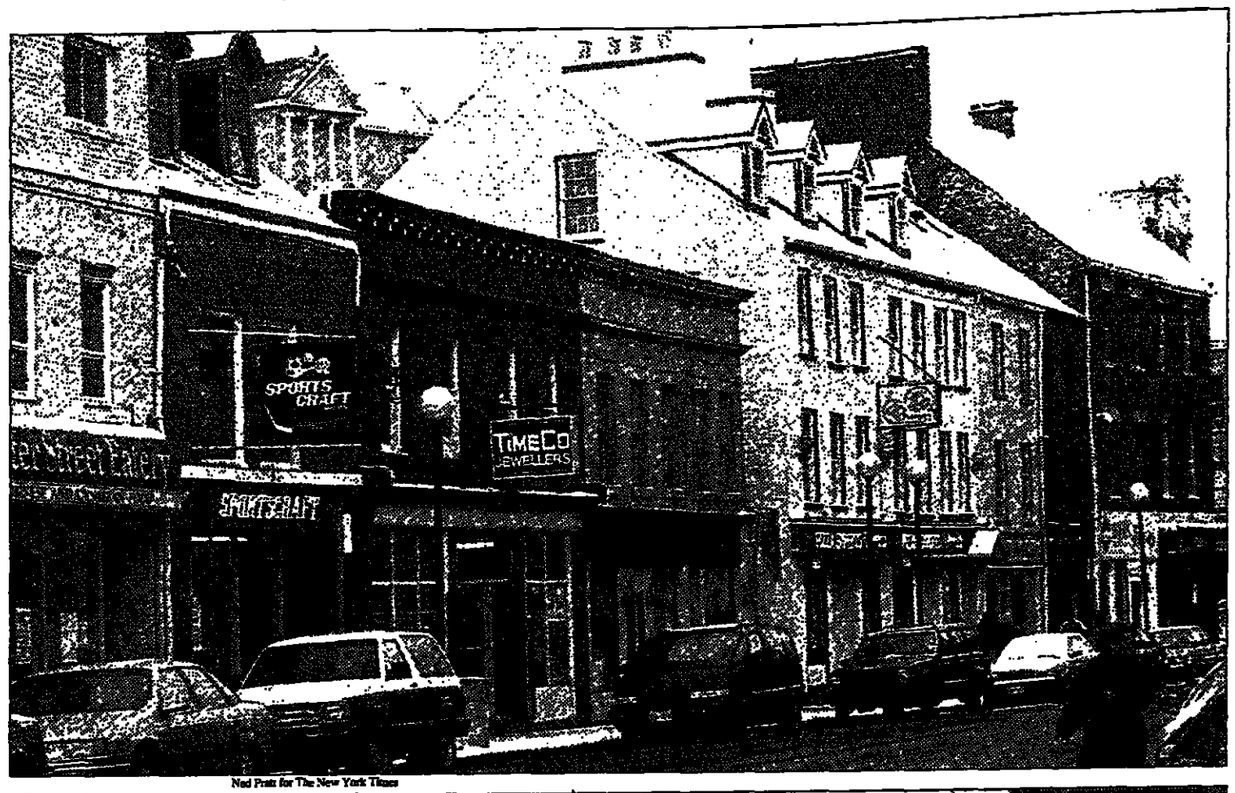
ST. JOHNS, Newfoundland — Newfoundland is not for everyone, which is perhaps why a guidebook to the island is called "Come Near at Your Peril." It is poor, with as many as 25,000 left unemployed by the current moratorium on cod fishing; its rocky topography, soil and climate could charitably be described as challenging. But Newfoundland's combination of Ireland, Norway, Iceland and something irrepressibly its own is unforgettable.

Maybe it's the fact that it was a separate country with its own coins, stamps, national anthem and fierce sense of identity until joining Canada in 1949. Maybe it's the strongly Irish cast to the population, with Welsh and English additions. As the Canadian writer Sandra Gwyn notes, "Neither the Scotch nor the Loyalist ethic — those twin wet blankets of the soul — ever intruded here. No Loyalists ever turned up and there were never enough Scotch to matter."

Two recent American novels, "The Shipping News" by E. Annie Proulx and "The Bird Artist" by Howard Norman, have given fictional life to the Newfoundland outport or fishing village. But the capital city, St. John's, which the writer Jan Morris called "the most entertaining town in North America," is still a newfound land.

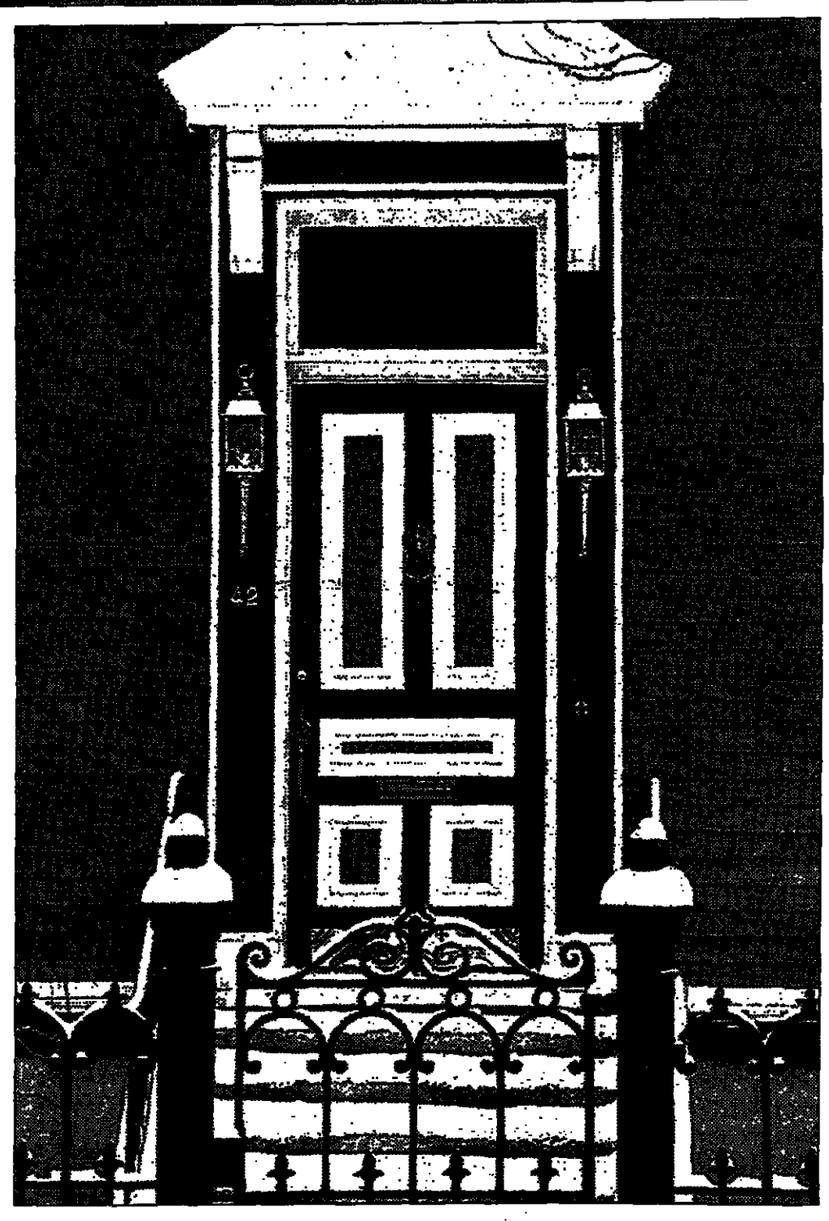
Perched on vertiginous hills that sweep down to the sea, St. John's teeter-totters between somber stone temples of church and state and cheekily painted clapboard houses with mansard roofs. Known locally as Southcott houses, for the chief builder of the town's residential streets after the Great Fire of 1892, these quickly built Second Empire homes still have a temporary, theatrical look, as if a child with a new box of crayons had been asked to decorate the city.

The tourist office in City Hall, on New Gower Street, puts out a guide to city walks and drives, and the one on the historic East End is a good introduction to the stony official capital (the former seat of government, called the Colonial Building, and the vice regal residence, called Government House), as well as the lower-middle-class Southcott houses on Military Road, and the prosperous, more detailed Southcotts and voluptuous Queen Annes on Rennies Mill and Circular Roads.



Ned Pratt for The New York Times

Shops along blustery Water Street in St. John's, above, and an inviting doorway in the capital city's historic East End.



COMING IN FROM THE COLD

Touring in a Newfoundland winter requires occasional to frequent thermal interludes. One of the best, close to St. Thomas Church and Government House as well as the residential streets, is in the Hotel Newfoundland. The Court Garden is an ersatz tropical affair of plants and rattan chairs. But outside the window there's something harder, colder and much more real — the Narrows, with Cabot Tower on the top of the brown rock, and a straggle of colored houses along the twisting road called the Battery. Drink tea or something more potent and admire the dark gray sheet of water glinting between the enclosing cliffs.

Another respite from the cold in this neighborhood is Devon House Craft Center, on Duckworth Street, an urbane mansarded house where very un-urban crafts are sold. The Newfoundland and Labrador Craft Development Association purveys native carvings, hooked mats resembling jewel-toned primitive paintings and handknit clothing. More unusual are tea dolls from Labrador, a tradition from the pre-1950s migratious, when everyone in the family, including children, carried their share of provisions to the hunting grounds. (The dolls held tea and returned stuffed with grass or leaves.) About 12 inches (30 centimeters) high and filled with about two pounds (a kilogram) of loose tea, today's dolls are beaded and embroidered, with faces and hands of smoked caribou skin, and cost about $155.

ANOTHER St. John's walk begins at the harbor, with an inventory of boats. Even in the off season, the doughty likes of the John Cabot, Terra Nova, Acadienne Gale and Northern Princess give you a taste of the port's salty origins. Proceed up to Water Street, where people have been doing business since the early 16th century; now admittedly seedy-looking, the street is still lined with no-nonsense 19th-century commercial buildings. Climb the Courthouse steps past the chunky rock-faced Romanesque Revival Courthouse, finished in 1901. To the right of the Courthouse on Duckworth Street, the Newfoundland Museum offers free warmth and appealing (if minimal) introductions to the province's wildlife, native peoples and European settlers.

If you continue up Cathedral Street, past the Anglican Cathedral on the left and the almost scarily Baroque Masonic Temple (1897) on your right, you'll reach one of St. John's delights, Gower Street. It's a rainbow of Southcott houses, typically flat-faced working-class dwellings, their third-story dormer windows either peaked or bonnet-topped. The homogeneous shapes, combined with a near-manic color scheme of shiny reds, greens and blues, make the street look slightly stagey and wholly irresistible. (Old-timers will tell you that St. John's vibrant and pastel colors with contrasting trim are only about 20 years old; before that, houses were painted brown, dark green, gray and red ocher without trim color.)

There's no use denying that, for the two main streets of a provincial capital, Water and Duckworth Streets offer shopping that looks more funky than utilitarian. The dearth of large stores is partly due to the North American drift to suburban malls, partly to Newfoundland's poverty. But while it must be frustrating for the inhabitants, the abundance of downtown music shops, cafes, bookstores and craft shops makes for offbeat shopping with a strongly local flavor. On Duckworth, Wordplay is the best bookstore for Newfoundland books, and Cod Jigger (named for the fishing technique of jiggling a hook on a line) has a good supply of hooked mats, chair covers, tea cozies and other crafts.

POIGNANT WORKADAY POETRY For my money, one of the most alluring places in St. John's is a nonprofit cooperative store called Nonia, at 286 Water Street. Nonia, an acronym for the Newfoundland Outport Nursing and Industrial Association, has been selling weaving, handknit mittens, hand-smocked dresses and other crafts since 1920. But it's the more than 200 knitters and weavers around the province who really fuel Nonia, and give the store its poignant, workaday poetry.

Fat "thrummed" mittens, lined with tufts of lambswool, cost $22; fisherman's sweaters run about $115; chunky gray socks sell for $12.30. Mittens beautifully crowded with snowflakes and caribou in various formations, in fine stocking wool, cost $12.50.

Forgetting that a certain segment of Newfoundland lives in the continuous present, I hoped aloud that Nonia's knitters would never abandon their traditional patterns. The saleswoman looked bemused at the odd notion. Why in the world would they do that?

As with knitting patterns, Newfoundland preserves its traditional ways with food, but not often in St. John's restaurants. (An exception is the Thursday evening buffet in the Outport, in the Hotel Newfoundland.) When I found a cabdriver knowledgeable about fish 'n' brewis (pronounced brews), a concoction of salt cod, potatoes and hard tack, I asked where I could eat it. Baffled, he called his dispatcher, who had a characteristic answer: "She'd be some welcome at our house, but no one's there now."

Sometimes it seems that everyone in St. John's plays music — traditional Newfoundland, Celtic, jazz, whatever — and one of the town's most reliable pleasures is a pub crawl on George Street, where there's live music at a handful of pubs, at least on Friday and Saturday nights. The highly regarded Fat Cat Blues Bar on George Street holds a Newfoundland folk session every Monday evening. Another favorite, the Ship Inn down the alley at 265 Duckworth Street, presents Kelly Russell, one of Canada's finest fiddlers, on Saturday evenings. On a recent bleak midwinter night, Mr. Russell played an ageless-sounding Celtic song on the concertina, then moved to the fiddle. The bar filled up and it was, as they would say in St. John's, a grand way to pass an evening. Or, to quote a 19th-century visitor and the title of an anthology of views of Newfoundland, "Complaints is many and various, but the odd Divil likes it."

Katherine Ashenburg, the author of "Going to Town: Architectural Walking Tours in Southern Ontario," wrote this for The New York Times.

KIDS

Racing for Laps, and We Don't Mean Santa's: The Slot-Car Revival



Nicolas Ascoli/IHT

By Brad Spurgeon
International Herald Tribune

CHEVILLY-LARUE, France — It was an embarrassing moment: I rolled the car three times before completing a single lap of the circuit. I did it under the watchful eyes of a Formula One driver and a 12-year-old boy who, when I finally did complete a few laps, was turning times five seconds faster than mine with a car his mom had bought him.

I had my excuses, not least of which that I'd never driven a race car 320 kilometers an hour (200 mph) down the straightaway of a track before. Fortunately this track was only 52 meters long, the car was a 1/24th size model — and I was clearly not inside it. Still, like kids of all ages, I was thoroughly enjoying the 1990s revival of a 1960s fad: slot-car racing.

The concept of a miniature car racing down a track with a guide flag under the chassis sticking in a slot — and powered by the electrical contact made by wire braids against the track — was reputedly born in the mid-'50s after the British magazine Model Maker published an article about someone's similar earlier invention.

During its heyday, the slot-car racing industry was a $500-million-a-year business. In 1960, one company, Aurora, sold 2 million kits and 12 million cars in the United States alone. In 1963, England created a federation of racers, and the decade that followed was to see a worldwide expansion, with 3,000 public raceways in the United States and 200 in Europe. At the Palais Berlitz in Paris in 1966, one race attracted 10,240 drivers vying for the grand prize of a real car.

By the early 1970s, however, the fad was being killed by its own success and poor organization. Professional slot-car racers went to commercial venues and won all the races, leaving amateurs little opportunity to taste the thrill of winning. So the amateurs began to stick to their small home slot-car tracks.

While the sale of those children's toys never ceased, it is only in the last few years that the commercial track has been reborn.

ANYONE CAN DO IT

The track where I had my initiation, the FLF1 Competition Center in Chevilly-Larue, east of Paris, was founded by a French Formula One driver, Franck Lagorce, after he rediscovered his boyhood toy track in his parents' attic. His aim is to open up slot-car racing to everyone.

The 12-year-old who outpaced me, Franck Clerc, has been going to the track with his friends after school almost every day since it opened in September. He has set fastest-lap records twice.

One of the advantages to slot-car racing is that anyone can do it, and without risk of injury.

"The clients can be 70 years old," said Lagorce. "And women win races here too. This is not a macho activity or one where women do not have their place. There are lots of children, but I won't hide the fact that the average age is 30. Generally the first time they come, parents bring their children; then they return without the children so they can play themselves."

As he spoke, a client was running his car alone, trying to set a lap record against the timer — which is good to the thousandth of a second. Nicolas Legendre, 29, a computer technician by profession, takes part in races, but also works out alone with his 1/24 prototype racers, which go faster than the more popular model, the 1/32.

Does it make him feel like a race car driver?

"A little," he said. "The cars react a little like a real car and you can set them up like a real one too. I've been going to real races since I was 14 years old and I've played with these things since I was really small too, at home. But this is nothing like that. It's something else. The cars, the control handles, the brakes. Once you've tasted this, you come back."

Lagorce says his is the biggest commercial track in Europe, with the fastest lap turning at a record 13.84 seconds. It's a six-lane track that can be divided into two smaller ones. The center runs races almost daily, from sprints to six-hour, 12-hour, and is even planning a 24-hour race.

What draws adults as well as kids to this Lilliputian game?

"I've met people here who have said, 'I had nothing to do, and I'm a little too fat to play tennis, so this is great for me,'" says Lagorce. "Today they have several cars, and they come almost every day. They come for the spirit of competition."

They also return because it is relatively inexpensive. Track time is bought by the hour, with a computer chip card that costs 100 francs ($19). It may be used minute-by-minute, or for an hour straight. Ready-to-race cars may be rented, or bought for as little as 150 francs.

THE fad has caught on again around the world. In some countries where there are no commercial sites, such as Finland, there are private clubs. Kimmo Rautama, Finnish representative to the International Slot Racers Association, notes on the "SlotSide" Internet Web site that all the 20 or so tracks used for organized racing in Finland "are owned by the community, church or motor racing club, so it costs virtually nothing to be a member."

SlotSide (www.intertog.com/~abell/slotside) also provides a list of addresses for commercial sites in 20 countries. Japan, for example, has several centers; the largest, Slot Racing Park, in Tokyo, boasts an 8-lane track, a Formula One style track and a Daytona style banking track.

Lagorce designed the shape of his track himself. It is an ideal layout for him — but only for slot car racing. In real life Formula One racing, he admits, "it wouldn't pass the safety tests."

As I watched my car roll over again at the hairpin, I agreed.

LEISURE

Tracking the Red Star of China in Yellow-Earth Country of Shaanxi

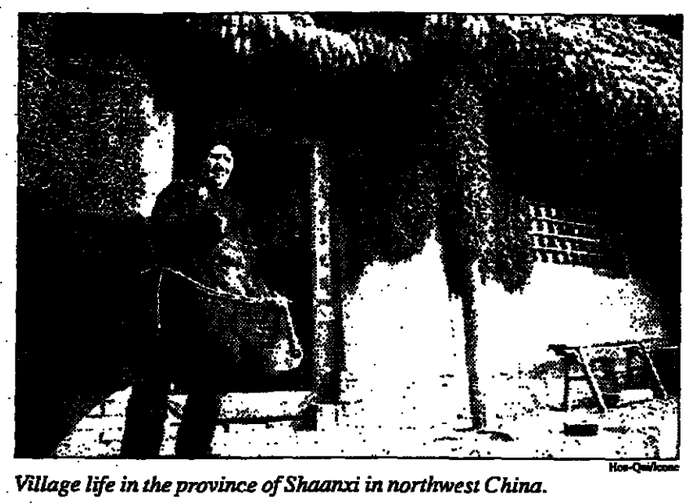
By Richard Tomlinson

YANAN, China — In the summer of 1936, when the American journalist Edgar Snow trekked across northwest China's Shaanxi province, he found "a world configurated by a mad god." Shaanxi's soft yellow earth, Snow wrote, formed a landscape of "queer embattled shapes — hills like great castles, like rows of mammoth, nicely rounded scones, like ranges torn by some giant hand, leaving behind the imprint of angry fingers."

Snow was in search of a scoop. The previous year, China's Red Army had arrived in Shaanxi, at the end of its marathon retreat from Chiang Kai-shek's nationalist Kuomintang forces. An unofficial truce in Shaanxi allowed Snow to slip into Communist-controlled territory, interview Mao Zedong and return four months later with the material for the book that made him famous, "Red Star Over China."

Since 1992, it has been possible to follow Snow's trail through Shaanxi's yellow-earth country in more comfort. A train leaves daily from the provincial capital of Xian (home to the much-hyped terra-cotta warriors) and for 10 hours chugs slowly northward to the town of Yanan. The 150-mile (240-kilometer) journey costs less than $4 — a small price for the chance to view the strange, spectacular hills and ravines on either side of the recently opened railway.

When Snow reached Yanan, the town was still nominally under nationalist control. He traveled on to Zhidan (then known as Baoan), 30 miles northwest, where he finally got his interview with Mao. But in January 1937, Mao moved his headquarters to Yanan after a national truce with the Kuomintang, whose forces withdrew from the area. For the next 11 years, as first the Japanese and then the Kuomintang attempted to annihilate the Communists, Mao and the core of the party leadership were based at Yanan. Thus did the town acquire its status as the "sacred" place of the revolution (a status undimmed by the Kuomintang's brief recapture of Yanan in 1948); it draws thousands of Chinese tourists each year.



Hou Qun/Icone

Village life in the province of Shaanxi in northwest China.

THE PRESSING NEEDS A foreigner arriving in Yanan should skip the history for the time being and concentrate on a more practical issue: where to stay. The town, straggling along a narrow river valley, has only two venues, and the choice is easy. Avoid the Yanan Hotel, a dank, lugubrious establishment that will make you long for the overnight train back to Xian. Head instead for the Yanan Power Industry Training Center Motel, which, as you might expect, is a hotel run by the power industry training center next door. Despite its unusual management, this brand-new hotel is clean and comfortable, a double whammy for provincial China.

In the morning, the next assignment is to hire a taxi to take you around the four principal Communist bases: Wangjiaping, Yangjialing, the Date Garden and Phoenix Hill. They are all within 15 minutes of the town center, and can easily be seen in one day. You should be able to negotiate a price of 250 to 350 yuan ($30 to $40), but if the taxi driver insists on more, choose another one. This is definitely a buyer's market.

You are now ready to start Yanan's Communist heritage trail, along with the Chinese work units that flock to the base areas on office and factory outings. For the Chinese, it really is a pilgrimage, bringing them closer to the founding fathers of the People's Republic. For foreign visitors, part of the interest is to see how the Communists have edited their past to produce an "ideologically correct" version of history.

At Wangjiaping, for instance, all the leaders' homes are being restored by workers, except for a dilapidated building a few meters from Mao's former living quarters. The building was once the home of Lin Biao, Mao's right-hand man during the Cultural Revolution, who died in a 1971 plane crash after allegedly plotting to overthrow the Great Helmsman. "They should also put a sign on this building, otherwise people will not know who lived there," said a local man disapprovingly.

The restoration is for the 60th anniversary of the Communists' arrival in Yanan, which is next January. Paving stones are being laid, walls are being whitewashed, and amid this frenetic makeover, you simply have to take the foreman's word that everything will look just as it did in the 1930s. In January, China's party boss and head of state, Jiang Zemin, is due in Yanan for the anniversary jamboree, and locals have been required to "volunteer" donations for a statue of Chairman Mao. It is the first, improbably, that the town has ever erected in honor of the man who put Yanan on the map.

Yet regardless of propaganda, the story of how the Communists made Yanan their bastion and then set out to conquer China was extraordinary. It was not just Mao and his disciples who believed they were laying the ground at Yanan for a socialist utopia. A stream of Western sympathizers came to Yanan after Edgar Snow, staying to work as doctors, nurses and teachers, or simply as witnesses to the brave new world. Their photographs can be seen in Yanan's main museum, which is to reopen with a new display in time for the 60th anniversary.

AND touring the base areas, it is still possible to recapture a sense of this pioneering mentality. The simple dwellings of the party leaders and generals, some of which were built into the yellow-earth hills, are not quite the primitive caves of Communist myth. But they are undeniably spartan, and one Chinese tourist drew the obvious comparison with the country's present political decadence.

"I am sorry that right now, people only talk about the Yanan spirit, instead of learning from it," was his plaintive comment in the visitor's book.

Richard Tomlinson is a journalist based in Beijing.

MOVIE GUIDE

EVITA
Directed by Alan Parker. U.S.

In "Evita," her most colossal music video, Madonna postures resplendently through the role of a pop goddess with a nation's worth of adoring fans. The basis for this spectacle is the rise of Juan Peron's fascist dictatorship in Argentina, which was not always an occasion for song and dance. But harsh reality is not permitted to interfere with this fashion show. Impressed and aghast, the viewer is in for a tumultuous ride. The star looks stunning, breaks the Guinness world record for most costume changes in a single movie and shows off traffic-stopping screen presence in the process. But the film is still breathless and shrill, since Alan Parker's direction shows no signs of a moral or political compass and remains in exhausting overdrive all the time. During more than two hours that blast wall-to-wall Andrew Lloyd Webber music, with scenes cut at staccato pace and thousands of weeping, shouting, banner-waving extras on the march, "Evita" never lets its shell-shocked audience up for air. Yet its portrait of Eva Peron remains curiously incomplete. Was she saintly? Power-mad? Conniving? Just a starstruck kid looking to make good in Buenos Aires? All of the above? The film, like many of the ballads by Webber and Tim Rice in this 20-year-old rock opera, is staggingly slick and indefinite. It feels vague despite the clamorous, overblown style that gives it the illusion of stature. If "Evita" aspires to being the perfect artifact for a world of image-worship, then maybe it hits its mark. As an adventure in sensory overload, it races through the great photo opportunities of the Peron career without much caring what they add up to. Antonio Banderas, who does an unexpectedly splendid job as the film's conspiratorial singing narrator, shares Madonna's way of looking so good that he diverts attention from what he's trying to convey. Madonna herself, playing a woman so fashionable that even her casket here is well-dressed, does rise glitteringly to this strange occasion. Her performance, which consists of cutting a glamorous swath through crowded settings and passionately feigning the emotions on the sound track, is legitimately stellar and full of fire. She also sings delicately well, although the score's most jarring, tuneless songs test the limits of her lower register. But even a leading lady of this wattage has to work hard to get the lumbering "Evita" up to speed. *(Janet Maslin, NYT)*



Peter Mountain

Kenneth Branagh in title role and Julie Christie as Gertrude in "Hamlet."

HAMLET
Directed by Kenneth Branagh. U.S., U.K.

Kenneth Branagh's fine, robust performance as Hamlet is the bright centerpiece of his lavish new version of the play. Heading a cast so stellar that majestic Blenheim Palace plays the role of Elsinore, Branagh holds court throughout a four-hour, 70-millimeter sumptuously appointed production that doesn't often lag. This "Hamlet" takes a frank, try-anything approach to sustaining its entertainment value, but its gambits are most often evidence of Branagh's solid showmanship. His own performance is the best evidence of all. He makes a dashing figure if not a terribly melancholy Dane, typifying this film's preference for bold strokes over gloomy introspection. With a cast so big-name and polyglot that it could be assembled almost as reasonably for a celebrity roast, Branagh still gets dedication to the text, which is presented here in its convoluted, Machiavellian entirety. Some of the star turns are there for blatant marquee value and stand out as gratuitous. (Gerard Depardieu and Jack Lemmon, as Reynaldo and Marcellus respectively, look understandably adrift.) Blink and you'll miss John Gielgud, as Priam in a flashback role. But other casting ideas work impressively well (Charlton Heston cuts a grandly imposing figure as the Player King) or show worthwhile whimsy. Billy Crystal practically juggles skulls as the gravedigger who speaks of poor Yorick, but his presence suits the role and holds the attention. Among the play's more important figures, Derek Jacobi stands out as a superb, quietly calculating Claudius, and Julie Christie makes a heart-rending Gertrude. As Ophelia, Kate Winslet gives a fervent performance that takes on even more heat thanks to the extra directorial flourish of showing flashback scenes of Hamlet and Ophelia in bed. *(Janet Maslin, NYT)*

ARTS GUIDE

Some museums may be closed on holidays. We recommend you call before going.

BRITAIN

GLASGOW
Burrell Collection, tel: (41) 649-7151, open daily. To March 31: "Russian Gold: Treasures of the Warrior Tombs." More than 200 pieces excavated from burial mounds in southern Russia, including weapons, jewelry, ornaments, vessels and ceramics dating back to the Scythian and Sarmatian peoples who roamed the Black Sea area between the 5th century B.C. and the 4th century A.D.

LEEDS
Henry Moore Institute, tel: (113) 246-7467, open daily, closed Jan. 1. To April 6: "The Color of Sculpture." Demonstrates the methods and materials used by 19th- and 20th-century artists to apply color as an expressive medium to their sculptures. Features works by Camille Claudel, Gauguin, Fernand Khnopff, Max Klinger, Picasso, Renoir and Rodin.

LONDON
Royal Academy of Arts, tel: 171-439-7438, open daily.To Jan. 19: "From Mantegna to Picasso: Drawings from the Thaw Collection." Includes works by Mantegna, Altdorfer, Rubens, Canaletto, Goya, Matisse and Picasso.

CANADA

TORONTO
Art Gallery of Ontario, tel: (416) 979-6648, closed Mondays and Tuesdays . To Jan. 26: "Prints by Edvard Munch." 49 prints demonstrate the themes of love and death which characterize the Norwegian artist's imagery.

DENMARK

KOGE
Koge Skitsesamling, tel: 56-63-34-14, closed Mondays. To Feb. 16: "Ferdinand Hodler." Sketches and drawings by the Swiss painter (1853-1918) who developed an expressive linear style in works that combine realism and mysticism.

FRANCE

PARIS
Bibliotheque Francois-Mitterrand, tel: 01-47-03-81-26, closed Mondays. To April 6: "Tous les Savoirs du Monde." Documents the evolution of encyclopedic knowledge, from Sumerian writing to recent technologies. The other half of the exhibition can be seen at the old Bibliotheque Nationale de France on Rue de Richelieu.
Jeu de Paume, tel: 01-47-03-12-50, closed Mondays. To Feb. 16: "Jesus Rafael Soto." A retrospective of the works of the Venezuelan artist (born 1923), associated with Op Art. The exhibition focuses on the artist's serial works from the mid-1950s, and includes his works on Plexiglas and his "classic" paintings, such as "Vibrations" and "Carres Virtuels."
Musee National Eugene Delacroix, tel: (1) 44-41-86-50, closed Tuesdays. Continuing/To Jan. 13: "La Grece en Revolte: Delacroix et les Peintres Francais, 1815-1848." The Greek revolution that led to independence from the Ottoman Empire in 1830 generated sympathy among French writers and artists. More than 70 works by 19th-century artists are gathered around Delacroix's "La Grece sur les Ruines de Missolonghi."



A colored sculpture of Bellona, goddess of war, on show in Leeds.

GERMANY

MUNICH
Haus der Kunst, tel: (89) 211-270, open daily. To Jan. 31: Francis Bacon." About 100 paintings and works on paper by the British painter (1909-1992).

ISRAEL

TEL AVIV
Tel Aviv Museum of Art, tel: (3) 696-1297, open daily. To Jan. 18: "Lucian Freud." A selection of oils and works on paper by the British artist (born 1922).

ITALY

ROME
Accademia Valentino, tel: (6) 67391, open daily. To Jan. 31: "Homage to Balthus." 40 paintings and 60 drawings and watercolors, most of them from the family's collections. The exhibition features portraits, landscapes and interiors and the equivocal paintings of adolescent girls by the Polish-born French painter (born 1908).

NETHERLANDS

AMSTERDAM
Van Gogh Museum, tel: (20) 570-5200, open daily. To March 2: "Sir Lawrence Alma-Tadema." The Dutch artist (1836-1912) worked in London from 1870 on; his depiction of the classical past appealed to the bourgeoisie of the time, but fell into oblivion after his death, with his paintings sometimes described as "decoration for chocolate boxes." The exhibition will travel to Liverpool.

SPAIN

BARCELONA
Museu Picasso, tel: (3) 319-63-10, closed Mondays. To Feb. 23: "Picasso and the Theater: Parade, Pulcinella, Mercure." 150 paintings, drawings, and other materials document Picasso's scenic contributions to ballet performances.

SWITZERLAND

BASEL
Kunstmuseum, tel: (61) 271-0445, closed Mondays. To Jan. 26: "Russian Avant-Garde, 1910-1924." From the first revolution to the beginning of Stalin's rule, avant-garde art developed in Soviet Russia. Malevich, Rodchenko, Popova and Rozanova created graphic art that had manifesto character. More than 200 items document the movement that came to an abrupt end in the 1930s.

UNITED STATES

NEW YORK
Metropolitan Museum of Art, Continuing/To Jan. 19: "Corot." A large selection of works celebrating the 200th anniversary of the birth of the French landscape painter Jean-Baptiste-Camille Corot (1796-1875).
Museum of Modern Art, tel: (212) 708-9400, closed Wednesdays. To Jan. 21: "Jasper Johns: A Retrospective." More than 225 works in all media by the American artist (born 1930) who was associated with Pop Art.

WASHINGTON
The National Portrait Gallery, tel: (202) 357-2700, open daily. Continuing/To July 6: "Red, Hot & Blue: The All-American Musical." The exhibition explores the history of the American musical and the personalities who gave it life beginning in the 1860s in New York.

BOOKS

KNOWING HEPBURN
And Other Curious Experiences
By James Prideaux. 319 pages. $24.95. Faber and Faber.

Reviewed by Carolyn See

THERE used to be pilgrimages, when travelers would while away long evenings telling tales under the stars. You'd think, in these modern times, that ancient pastime would have faded. But there are still places in our own world where storytelling flourishes: in the movie business. On sound stages, between takes, the cast, the crew, the writers, the script supervisors, the camera boom operators, all while away the endless time telling stories. They tell them again and again, polishing and embellishing, comparing notes, gathering gossip and information. Tales not under the stars, but about them.

James Prideaux presents himself in "Knowing Hepburn" as a working writer, a man who set out to support himself — to make a life — by writing plays and film and television scripts, including some for Katharine Hepburn ("Mrs. Delafield Wants to Marry," "Guest Appearance"). As a young man he was fairly broke, full of high thoughts and touchy integrity, a nice guy on the outside of things looking at people on the inside, loving the life he was looking at, wanting to be at the center of things, wanting to play.

He loves to tell stories. He begins this engaging book with Hepburn in 1968 asking him the cryptic question, "And where do you find yourself?" The only possible answer to that is "Huh?" and that's the answer he gives. Then he takes the reader back in time to another whole story, a tale of a project that never worked out, where he worked with Irene Selznick, who "looked like Anita Loos if Anita Loos had been ground in a pencil sharpener."

The failed project led to another, which led to his working with the great Hepburn, whom he clearly adored. Hepburn seems to him brave and beautiful, even if sometimes she's unbearably snide. But Prideaux sees her greatness and also recognizes that he has the talent, the particular sensibility, to write vehicles for her — not for the bright young Hepburn who worked with Cary Grant and Spencer Tracy but for the older woman, all vulnerability and myth and dignity.

This isn't a story about Hepburn, however, but about Prideaux, making his life, finding his talent, gaining his friends. He goes to dinner at Christopher Isherwood and Don Bachardy's magical hillside beach house with George Cukor and Roddy McDowall.

"The talk," Prideaux remembers, "the wondrous talk, was peppered with glorious stories of the old Hollywood, related by people who knew, who had been there. I knew enough to just shut up and listen."

The main part of his narrative begins with the opening of Prideaux's play "The Last of Mrs. Lincoln" on Broadway, starring Julie Harris, who wept with chagrin on opening night at how she'd ruined his "beautiful play." She went on to win a Tony for it, and Prideaux's reputation sailed upward. He decided to move west again, to check out television and the movies.

He found himself working with Elizabeth Taylor, who seemed to him to have considerable amounts of magic but who was nevertheless a raving pain in the neck. He tries to be fair: "She pouted and sighed and was bored . . . but she didn't take it out on anybody. I never saw her be unkind or pull rank on anyone working on the production." But then he reports her snapping at him: "Why are you always so chipper? It's very annoying." What a life. Writing scripts for divas!

But affection, in this case, affection for and devotion to Hepburn, gives depth and meaning to Prideaux's professional and personal life. He is her buddy, he's her friend, he's her playwright in her waning days.

Prideaux is a totally accomplished writer. He combines comedy, tragedy, sentimentality and brine. Like the guests at Isherwood's great dinner party, he's had amazing glimpses of the real Hollywood. He wants to tell us all about it, and his stories are absolutely great.

Carolyn See reviews books weekly for The Washington Post.

BRIDGE

By Alan Truscott

IT is always most satisfying to make a contract by a swindle, provided it is within the laws of the game. And to do so against one of the world's great players is indeed truly memorable. Paulo Brum had this happiness in the final of the Brazilian Pairs Championship. His victim was Gabriel Chagas.

Chagas's two-club bid as West, after his partner's one-spade bid had been doubled, was a transfer showing diamonds.

The opening diamond lead was ruffed, and South led a spade. East took two spade winners and led a third round, hoping to promote a trump trick in his partner's hand. South ruffed with the heart jack and led the heart queen. This won the trick, reaching:

NORTH
♠ Q
♡ 9
♢ 9 8 7
♣ 10 5 4

WEST
♠ —
♡ —
♢ K J 10 6
♣ Q 7 3 2

EAST
♠ 9 2
♡ A
♢ Q 5
♣ 9 8 6

SOUTH
♠ —
♡ K 10 8 7 5
♢ —
♣ A K J

Brum as South quietly led the club jack, and Chagas thought this over. He played low and South happily showed his hand, conceding a trump trick and making four hearts.

East not only held up his heart ace, necessary to prevent the nine from becoming an entry to dummy, but did so promptly. A player of lesser quality, either technically or methically, might have done so slowly. That would have made it clear to West, for an improper reason, that it was right to take the club queen.

NORTH
♠ Q J 10 3
♡ 9 4
♢ 9 8 7 2
♣ 10 5 4

WEST
♠ 6 5
♡ 2
♢ A K J 10 6 3
♣ Q 7 3 2

EAST (D)
♠ A K 9 7 2
♡ A 6
♢ Q 5 4
♣ 9 8 6

SOUTH
♠ 8 4
♡ K Q J 10 8 7 5 3
♢ —
♣ A K J

Both sides were vulnerable. The bidding:

East	South	West	North
1 ♠	Dbl.	2 ♣	Pass
2 ♢	4 ♡	Pass	Pass
Pass			

West led the diamond ace.

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INTERNATIONAL

Peru Denies Visits To Jailed Rebels

As Crisis Drags On, Accord With Red Cross Is Suspended

By Gabriel Escobar
Washington Post Service

LIMA — The International Committee of the Red Cross said Thursday that the Peruvian government had suspended an agreement allowing the group to visit 4,000 prisoners, among them members of the rebel group holding 103 hostages at the Japanese ambassador's residence.

Red Cross officials said its representatives had not been allowed into the prisons, including the two maximum security facilities where most guerrillas are held, since members of the Tupac Amaru Revolutionary Movement overran the residence in Lima on Dec. 17.

The government's decision to suspend the agreement, which was signed in March 1993 and provides one way to monitor the treatment of this select inmate population independently, may be a punitive measure, showing again President Alberto Fujimori's opposition to rebel demands. The rebel leader, Nestor Cerpa Cartolini, has from the onset focused on conditions inside Peru's prisons.

Mr. Fujimori has not responded to a request by Mr. Cartolini to speak to jailed comrades, including the most senior members of the 12-year-old insurgency. The decision to disallow Red Cross visits to imprisoned members removes one possible communication link between those in jail and rebels at the ambassador's residence.

The decision also appeared to put the Red Cross in the uncomfortable position of appearing to take a stand Thursday, something the organization studiously avoids.

Michel Minnig, the Red Cross's chief delegate here, said "no connection" existed between those jailed and the rebels holding the hostages.

Mr. Minnig has made very few public comments since the siege began — even when he speaks his focus has always been on the humanitarian relief effort — and his pointed reference to the work the Red Cross does was interpreted as an effort to persuade Mr. Fujimori to lift the ban on visits.

Peruvian human-rights leaders said there was more need now than ever to monitor the situation in the jails, particularly where it concerns the welfare of the 404 Tupac Amaru members who are being detained or have been convicted under 1992 anti-terrorism legislation.

One of the unusual elements in this crisis is that the revolutionary movement is, in effect, an imprisoned guerrilla force. Authorities on the group say it has fewer than 100 free members, so the 20 or so rebels inside the residence constitute a large proportion of the force.

Francisco Soberon, a human-rights leader, cited indirect reports of searches in the prisons, which he said in the past led to reports of abuse by the prisoners.

Twenty-eight people are being held in connection with the embassy standoff, Mr. Soberon said, including six women, and human-rights officials are worried because no one has had access to them.

Officials at the ministries of justice and interior did not return telephone calls immediately Thursday.

A Red Cross spokesman, Steven Anderson, said the organization was "making representations at the highest levels" to reverse the decision.

Asked if the Red Cross was worried about possible mistreatment of these prisoners, Mr. Anderson said: "I can't say we are specifically preoccupied with this, but we think it is necessary to carry on with the direct visits."

Rebel leaders released the ambassador from Guatemala, Jose Maria Argueta, from the ambassadorial residence Thursday, reducing the number of hostages to 103.

In brief comments outside the residence, Mr. Argueta said his release was in recognition of the peace accord that will be signed Sunday in Guatemala between the government and the rebel insurgency there.

Tupac Amaru has hinted that it wants a peace accord, and in that context some here were interpreting the gesture Thursday as a political statement.

Red Cross officials said that an early-morning explosion on the grounds of the compound might have been activated by an animal. Mr. Cerpa told some hostages who have since been released that the area outside the residence contained mines, and the blast Thursday all but confirmed that. There were no reports of injuries.



Claudia Daut/Reuters

A Lima policeman crouching outside the Japanese ambassador's residence Thursday.

French First: Cancer Victims Sue National Cigarette Firm

By Anne Swardson
Washington Post Service

PARIS — In France, where cigarettes are relished almost as enthusiastically as cheese, the idea of blaming smoking for lung cancer is suddenly catching fire.

In the last week, two lung-cancer victims or their families have filed suit against the national French cigarette manufacturer. They accuse it of inadequately warning consumers about the relation between cigarettes and lung cancer.

The suits are the first such proceedings in France, which has lagged behind the United States, Britain and Canada in recognizing the dangers of smoking and in separating smokers from nonsmokers.

In France, the hazy air of cafés is tinged with blue, people walk into elevators holding lit cigarettes and rail stations, even when their walls sport no-smoking signs, are peopled with puffers. Even restaurants with no-smoking sections put them next to the smoking sections, with no barriers in between.

In a sense, although tobacco came from America, it was a Frenchman who gave smoking its cachet. Jean Nicot, who in the 16th century was ambassador to Portugal, popularized the tobacco plant for its medicinal values; the word "nicotine" is derived from his name.

But even France now is waking up to the dangers and discomforts of smoking. Cigarette packages are now required to carry warnings that smoking is "gravely harmful" to health, and cigarette advertising is prohibited. Such public buildings as airports are required to prohibit smoking, and some office and university buildings actually do so, in certain places.

The lawsuits have the potential to go much farther. Plaintiffs in both cases blame the lung-cancer cases on SEITA, the acronym for the company that makes Gauloises and Gitanes, the most famous French brands. SEITA itself was owned by the French government until last year.

"These are test cases," said Francis Caballero, the lawyer for both plaintiffs. "If we succeed, many, many more people will sue the manufacturer."

The most recent suit, filed Dec. 24 by the family of the late Suzanne Berger, a 35-year-old mother of three when she died last October, contends that she was unaware of the dangers of smoking. Beginning at the age of 13, Ms. Berger smoked 30 nonfiltered Gauloises a day until she was diagnosed with lung cancer in July 1995. The lawsuit asks for $230,000 in damages.

The other suit, filed Dec. 17, is on behalf of Richard Gourlain, a 48-year-old victim of multiple cancers who was a heavy smoker of unfiltered Gauloises for 30 years. Mr. Gourlain is still alive and seeking $540,000 in damages. His wife, Lucette, decided to file the suit in hopes that greater awareness will lead to a law prohibiting sales of cigarettes to minors.

To Philippe Boucher, director of the National Committee Against Smoking, which is sponsoring the lawsuits, the legal actions are the beginning of a "revolt of the victims." And, he said, doctors are beginning to suggest to lung-cancer patients that they initiate legal action.

According to figures provided by the committee, lung-cancer deaths in France rose from 11,445 in 1970, to 17,179 in 1980, and to 23,237 in 1993. The current population of France is about 56 million.

Some 40 percent of French men and 28 percent of French women smoke, compared with 28 percent of men and 23 percent of women in the United States. In France, 40 percent of young people are smokers, according to the World Health Organization.

Isabelle Ockrent, corporate communications director for SEITA, said that the French tobacco maker has never denied that excessive smoking can be harmful to health. However, she said, the issue is individual responsibility.

Mr. Caballero said he had high hopes of winning the cases because French law is clearer than American law about holding the manufacturer responsible for the product. But, he said, France's pro-smoking culture may make victory harder to achieve.

PERU: *Toughest Test for the Autocratic Fujimori*

Continued from Page 1

counsel in times of crisis, has so far taken what political analysts say is a balanced approach, offering the rebels safe passage out of the country if they lay down their arms and release all hostages.

"Fujimori is autocratic, but he is also sensible," said Santiago Pedraglio, a political analyst. "He knows that this crisis will determine his political future, so he's taking his time."

Mr. Fujimori is said to be holed up in the Presidential Palace with intelligence advisers, military analysts and top generals, who are monitoring the crisis and mapping out strategy. Aside from receiving Japan's foreign minister last week, he has had little direct contact with foreign diplomats.

In fact, the president has not been seen in public since the gunmen took over the ambassadorial residence Dec. 17, except in a nationally televised address in which he condemned the takeover and made his offer to the guerrillas.

Perhaps the most influential adviser to Mr. Fujimori is the head of Peru's intelligence service, Vladimiro Montesinos, a figure who rarely appears in public but who appears to have Mr. Fujimori's trust.

But aides to Mr. Fujimori said that no matter how much advice he receives, once the president comes to a decision, which he usually makes on his own, he does not waver.

Asked why he often makes decisions in a vacuum, Mr. Fujimori has said repeatedly: "First you act, then you inform."

Mr. Fujimori, a son of Japanese immigrants, was first elected to the presidency of this Andean nation of 24 million people in 1990.

Virtually unknown, Mr. Fujimori, rector of an agrarian university, ran a shoestring, word-of-mouth campaign, using a tractor called the Fuji-mobile. He handily beat Mario Vargas Llosa, the internationally acclaimed novelist, who ran a multimillion-dollar campaign.

Part of Mr. Fujimori's success was attributed to his promotion of his Japanese ancestry, which he said stood for hard work, austerity and honesty. Peru's large indigenous population identified with Mr. Fujimori and rejected Mr. Vargas Llosa as one of Peru's white elite.

Faced with out-of-control inflation and terrorism, Mr. Fujimori disbanded Peru's Congress and courts in 1992 to seize near-dictatorial powers he said were necessary to reform the economy and control guerrillas.

Within a year, Mr. Fujimori had captured most leaders of guerrilla groups, and terrorist acts declined sharply, even as his economic reforms brought inflation under control and attracted new foreign investments, netting international acclaim for his actions.

"If only we had a Fujimori," became a common retort throughout Latin America when countries faced gargantuan problems.

But so far, Mr. Fujimori has done little to produce jobs and improve living standards for the vast majority of Peruvians, and his popularity has declined sharply in the past year as the country entered a recession.

In recent months, the president's approval rating has dropped to as low as 41 percent from a high point of 75 percent in January, according to major opinion polls.

If Mr. Fujimori engineers a bloodless resolution to the hostage impasse at the Japanese residence, he is likely to benefit politically at a time when he is seeking popular support to run for a third term at the end of the century.

"The truth is, he hasn't done badly so far," said Mirko Laurer, a political analyst and columnist who is often critical of the president. "But it could be a very long summer."

Nigeria Prisoners: Forgotten by World

Democracy Fighters Languish

By Barbara Crossette
New York Times Service

NEW YORK — At age 25, Wura Abiola wants to concentrate on her career in business management. But for more than two years, she has been haunted by the silence in Nigeria surrounding the fate of her father, Moshood K.O. Abiola, who by most impartial accounts won a presidential election in Nigeria in June 1993 and was sent to jail a year later when he tried to claim the office.

"What makes me feel I have the right to carry on with life?" Miss Abiola said recently over an early morning breakfast at a midtown Manhattan coffee bar near the office where she works as a management consultant.

She said that, since the fall of 1994, no one has been able to visit Chief Abiola, a wealthy businessman who entered politics against the advice of his family. Since shortly after his arrest that summer, he has not been permitted to send mail to relatives or receive mail from them.

"What we all need to know first of all is that Daddy is alive and that he is well," Miss Abiola said. "I would be happy just to know he is alive."

Chief Abiola's situation is similar to that of Daw Aung San Suu Kyi in Burma — the plight of a popularly elected leader blocked by the military from taking office. But his case has not attracted the attention abroad that surrounds and supports Daw Aung San Suu Kyi.

This fate also has befallen another well known Nigerian without a large international lobby to keep his name before the public: General Olusegun Obasanjo, a head of government in the 1970s. He was sentenced to life in prison — later reduced to 15 years — in a secret treason trial in 1995 for campaigning for a return to civilian rule. General Obasanjo and Chief Abiola are among about 20 prisoners whom Amnesty International named in a November appeal for support around the world.

In New York, Omukaba Ojo, an exiled playwright who is coordinator of the Free Obasanjo Committee, said that Nigerian prisoners "don't get the same kind of attention that you have for the Burmese leader." He added, "It's almost as if they'd been forgotten."

"Many Nigerians who have had the courage to stand up for the human rights of their fellow citizens have paid a heavy price," Amnesty International said in criticizing the government of General Sani Abacha for harassing prisoners and denying them medical care.

"The one man who epitomizes democracy in Africa is Obasanjo," said Frank Ferrari, a consultant who was formerly senior vice president of the African-American Institute in New York. "He turned over government to civilian rule and then became a victim of the military."

The Abiola family — the chief had four wives and separate sets of children — suffered another blow this year when his senior wife, Kudirat, was shot and killed on a Lagos street in June. Miss Abiola, whose mother, another of the chief's wives, died four years ago, said that despite the tensions that might be expected to arise in such a complex family, hers has been united in this case.

Chief Abiola, a philanthropist described by his daughter as a man of great passion for change in Nigeria, had his detractors. He is a Muslim Yoruba from the south whose decision to enter politics was seen as a provocation to northerners who had dominated the political scene.

But he won, by most accounts, the most democratic election ever in the country.

"What worries me most is his mental health," said Miss Abiola, who remembers her father as a workaholic who could get by on four hours' sleep. Chief Abiola is also denied reading material.

"We feel a major sense of failure as his children," his daughter said. "We feel we let him down, that there must be something else we could have tried."

In Iraqi Names, 500 Years of Tradition

By Douglas Jehl
New York Times Service

BAGHDAD — To address an Iraqi properly, it is a good idea to know more than his name.

Take Salam, a 39-year-old driver. Since his first-born son is named Ali, he is properly called Abu Ali, or the father of Ali, following a custom that stands on its head the Russian approach, under which Boris Yeltsin, as the son of Nikolai, becomes Boris Nikolayevich.

But in Iraq, that is only the beginning.

Before Ali was born, Salam was called Abu Ahmed, meaning the father of Ahmed, even though he was not a father at all. His childless friend Khalid was and still is known as Abu Walid. And by the time he reaches his late teens, young Ali will become Abu Hussein.

Confused? You might well be, especially if you have not been a regular listener of one of Iraq's most popular radio programs, which has been on the air for 26 years under the title "Your Name Is Your Address."

"It took me years and years to finally begin to feel that I understand how the system works," said Zuheir Qaissi, the host of the program, who added proudly, "Iraqis love the *kunia*."

In its simplest version, the kunia, an Arabic word that is impossible to translate, remains part of many Arab societies. A Palestinian or Syrian man tends to be known to close friends as the Abu of his eldest son; their wives, in turn, are known as Um.

And because it is often presumed that a Palestinian man will name his first son after his father, a son of Mohammed might be addressed in turn as Abu Mohammed even before that grandson is born.

But Iraqis, scholars say, have come to apply the kunia far more extensively than anyone else, and ordinary Iraqis can cite the pairings by rote. Many lie rooted in Islamic history, both familiar and oblique.

From the time he is 20 or so, for instance, every Mohammed is also Abu Jassim, because the Prophet Mohammed's son was called Jassim. Every Ali is Abu Hussein because the Prophet's son-in-law, Ali, named his son Hussein.

'In a society with strong family ties, it is important . . . to be identified as the father or the mother of somebody.'

Every Omar will be called Abu Khattab after the Prophet Mohammed's companion, the second caliph, Omar ibn al Khattab. And every Tariq is known as Abu Ziyad, after Tariq ibn Ziyad, the great Muslim conqueror of Spain.

What is now Baghdad stood for more than 500 years as the capital of the Islamic empire, from the 8th to the 13th century, a reason that Mr. Qaissi, the radio host who is also a prominent philologist, and other experts here cite as explanation for the fact that names with religious roots remain unusually common.

But the kunia in fact dates back even to the pre-Islamic tribes of the Arabian Peninsula, according to Sheikh Jalal al Hanafi, a religious leader who is the author of the eight-volume Glossary of the Colloquial Language of Baghdad.

"The Arab tribes regarded it as socially inappropriate to call men or women directly by unvarnished first names," Sheikh Hanafi said, "and Iraq has maintained many of those tribal traditions."

The practice has become so deeply rooted that Iraqis even use synonyms or play word games to create kunias for names with no religious meaning. A man whose name is Hussam, a classical word for sword, might be called Abu Saif, based on the more colloquial word for the weapon. A man called Assad, or lion, might be called Abu Sarhan, using the more poetic word for the beast.

Because Iraq remains a male-dominated society, the kunias assigned to Iraqi women tend to be less elaborate, even though it still considered particularly unseemly for a stranger to address a woman by her first name.

More commonly, a woman would be called according to the names of their eldest sons, even if their first-born children are girls.

"In a society with strong family ties, it is important for an Iraqi to be identified as the father or the mother of somebody," Sheikh Hanafi said. "It is a matter of traditions," he said.

KOREA: *150,000 on Strike*

Continued from Page 1

itary leaders ruled without regard to opposition views. Others said the events merely illustrated South Korea's growing pains as it evolved into a mature democracy.

"I think this is in the context of a country that has made a decision in favor of democracy," one U.S. official in Seoul said. "This is just a hiccup; there is no turning back."

Blockades of parliamentary offices are common devices in the National Assembly. The executive branch has enormous power, drafting almost all the bills that legislators of the governing party then push through the assembly. Opposition leaders often see force as their only recourse.

For almost a week, opposition leaders have been blockading the assembly and confining Mr. Kim, the speaker, to his office to prevent passage of the labor laws and of a law that strengthens the country's intelligence agency, which also has a notorious past.

Labor leaders say the new laws are unfair and were pushed through because of the close relationship between the country's major employers and the government. The only government-recognized federation of trade unions, the Federation of Korea Trade Unions, is ordering its 1.2 million members to strike from 1 P.M. Friday until noon Saturday.

The other umbrella group, the Korean Confederation of Trade Unions, which is not recognized by the government, ordered its 500,000 workers to strike indefinitely. The union represents workers at many heavy industries including the car and ship factories of Hyundai and Daewoo Corp. and the Kia Motors Corp. auto factory.

"This kind of passage of legislation without any discussion used to be customary in our dictatorships," said Park Won Soon, a lawyer and human-rights activist. "We ordinary Koreans feel very sad that we should witness this sort of thing. The government will face serious opposition from the Korean people."

Legislators also rammed through a bill restoring broad power to the Agency for National Security Planning, South Korea's intelligence agency. Some analysts in Seoul said restoring power to the agency was also an ominous echo of the past, when the government used the agency to settle political scores.

"The NSP bill is a step backward," said David I. Steinberg, the Asia Foundation's representative in Seoul.

Under the military governments that controlled South Korea from the 1960s through the late 1980s, the agency, then known as the Korean Central Intelligence Agency, was used to suppress opponents of the government.

KABUL: *An Italian Physiotherapist With a Mission Helps Rebuild Afghanistan, Limb by Limb*

Continued from Page 1

they say. "Alberto is our friend."

But to speak of this renown to Mr. Cairo is to expose an edge of impatience that is invisible when he is rushing about the Kabul orthopedic center, supervising a staff of more than 100 Afghan workers, 60 percent of whom are disabled.

To be in Afghanistan, Mr. Cairo said, especially to be out on the concrete "runway" behind the Kabul center when the disabled pull on their new legs and take the first fearful steps toward mobility, offers a satisfaction he never knew in Italy.

"It is enough for me to be one of those foreigners who came here to do something positive for those who have suffered," he said.

Checking himself, he said, "Not for those who have suffered, with those who have suffered."

The sentiment is not hard to understand when the newly limbed reach the end of the runway, where a full-length mirror allows them to stand, sometimes for minutes at a time, admiring what they have become again.

Small children, young women, hardened soldiers, react much the same, angling this way and that, shifting weight forward and back, hiking down their trouser legs to see how natural the new limb or limbs can be made to look.

Those who work at the Kabul center, recruited from among patients, produce artificial legs and hands, splints and braces and calipers, crutches and the wheelchairs, from materials that are often scrounged from the war wreckage. Nuts, bolts and washers come from scrap merchants, steel from Soviet tanks, and rubber from Russian tires.

With economies like these, Mr. Cairo spends most of the $1.7 million annual budget for the orthopedic centers inside Afghanistan.

Nearly 20,000 Afghans who lost limbs in the war are mobile again because of the Red Cross centers. But even this is only a start.

Surveys by the Red Cross suggest that at least 50,000 Afghan men, women and children have lost legs.

Although the fighting has stopped in three-quarters of the country, more people are maimed every day by the millions of abandoned mines, grenades and other explosives that explode accidentally.

On virtually every Afghan street, among wraithlike figures moving through early morning mists at this time of the year, there are people moving with the awkward gait of those who have lost their legs, or the use of them.

Many have nothing to support them but crude crutches made from scrap lengths of steel piping. Some, with no legs, pull themselves along on scraps of wooden board fashioned into trolleys by nailing wheels taken from pieces of furniture or baggage.

It was to this world that Mr. Cairo came when the 1989 Soviet troop withdrawal made recovery efforts possible.

The work in Afghanistan is carried on in a society ruled by men with scant respect for law or life, and often no knowledge at all of the symbolism of the Red Cross flag that is the only protection the organization offers its staff in violent places like Kabul.

But Mr. Cairo said he could not imagine returning to Italy. In large part, he said, this was because of the character of Afghans. "They are warm like Latins, but at the same time they keep their distance," he said. "They will ask you for something very, very important to them, and when you say 'No,' they don't ask why."

Mr. Cairo's work has been made more difficult recently by the Taleban religious movement, whose rule in Kabul and elsewhere has included imposing a harsh Islamic social code with severe restrictions on women. Because of a widespread fear among women of venturing into the streets, the numbers of disabled women seeking help at the Kabul center, and of disabled children brought in by their mothers, has fallen.

Almost alone in Kabul, the center remains a place where men and women, mostly disabled, can be seen relaxing and working together.

In this, as in other things, Mr. Cairo is credited with creating a microcosm of the civil society for which many Afghans yearn, a place that brings together, in an atmosphere full of laughter, people of both sexes, of all ethnic and language groups.

"He has built a small world of affability, generosity and graciousness," said Moheb Ali Yawer, 25, a paraplegic who is Mr. Cairo's aide. Mr. Yawer, who learned most of his English using Red Cross walkie-talkies, chose his words after consulting an English-Persian dictionary, but he needed no help in describing Mr. Cairo.

"Alberto has become a father to the disabled of our country," he said. "If he should ever go away, we would feel lost."

Hanoi's Tho Dies at 86; Fought U.S.

The Associated Press

HANOI — Nguyen Huu Tho, 86, leader of the Communist National Liberation Front that fought U.S.-backed South Vietnam in the Vietnam War, has died of heart problems.

Foreign Ministry officials said Mr. Tho died Tuesday at a hospital in Ho Chi Minh City, known as Saigon when it was the capital of South Vietnam.

Mr. Tho was chairman of the National Liberation Front, founded in December 1960 to serve as a front organization masking Communist North Vietnam's role in trying to overthrow the Saigon government. He also served as united Vietnam's vice president.

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Has Economic Cycle In U.S. Gone Haywire?

Data Leave Growth Forecasters in Doubt

By John M. Berry
Washington Post Service

WASHINGTON — Trying to determine where the U.S. economy is headed next year requires finding the seemingly elusive answer to a key question: With the unemployment rate below 5.5 percent, why have wages and inflation not taken off?

The last time the jobless rate sank that low, in the late 1980s, wage increases and inflation accelerated, forcing the Federal Reserve Board to raise interest rates in 1988 and early 1989 to cool the economy. Now some economists, including Paul Samuelson, the Nobel laureate from the Massachusetts Institute of Technology, have warned both the Federal Reserve Board and President Bill Clinton that the central bank is running the risk of inflation by tolerating such a low unemployment rate.

But something has shifted in the relationships among the labor markets: the rate of increase in compensation and inflation. Alan Greenspan, the Fed chairman, has suggested that workers have been willing to accept smaller pay gains than in the past, because of worries about job security.

One clue as to why workers may be more fearful about losing their jobs is that the share of unemployed workers who lost their last job, compared with those who either were on a temporary layoff or had quit, oscillates with the economy.

According to statistics from the Labor Department and the San Francisco Federal Reserve Bank, over time, the share of job-losers among the unemployed has increased noticeably.

Economist Robert G. Valletta of the San Francisco Federal Reserve Bank, who has studied these data, ties them to job security in this way:

"A working definition of job security should describe how safe workers' jobs are with respect to changes in the economic environment, within or outside the firm. Thus, the real issue regarding changing job security is whether variations in factors external to firms, or firms' responsiveness to those factors, have changed so that employees sense that they are increasingly vulnerable to being permanently dismissed by their employers."

Mr. Valletta said the size of the ups and downs had been larger since 1980, which he interpreted as probably meaning that companies facing tough times were more apt to dismiss workers than previously.

"This suggests the increased importance of permanent dismissals in firms' employment adjustment process," Mr. Valletta said.

"Perceptions of decreased job security may relate to these trends, particularly if the burden of increased dismissals is falling disproportionately on classes of workers who had significant job security in the past."

He was referring to the fact that in the 1990-1991 recession, a significantly larger share of employees who lost their jobs were white-collar workers than in previous recessions. That partly resulted from white-collar jobs making up a larger share of total employment than in the past.

But with many managers and other administrative personnel also dismissed, concern about job security naturally increased. A federal law requiring advance announcement of major layoffs by larger firms also added to the publicity surrounding job losses, as some consulting firms began to publish lists of the tens of thousands of workers being dismissed.

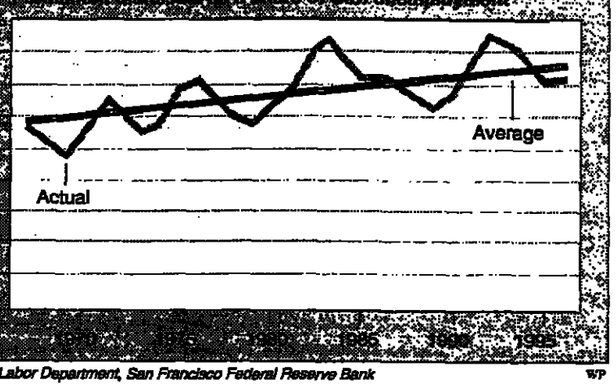
"There is a noticeable decline in job security for some narrowly defined groups," such as those at major companies such as AT&T Corp. and International Business Machines Corp., which have undergone major restructurings, he said.

Many employees at such companies formerly would have been on "career tracks that would lead them to reasonably expect to retire there," he said. "Now, they don't have the same basis for that belief."

Philip Rones, an economist at the

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Rising Insecurity



Source: Labor Department, San Francisco Federal Reserve Bank WP

Year-End Buying Lifts U.S. Stocks, but Record Is Elusive

Compiled by Our Staff From Dispatches

NEW YORK — U.S. stocks rose Thursday as investors added the year's winning names to their portfolios before the year's end, but the rally fell just short of a record.

The Dow Jones industrial average closed at 6,546.68 points, up 23.83, just over a point shy of the closing record of 6,547.79 set Nov. 25. Gaining issues outpaced losing ones by a 2-to-1 ratio on the New York Stock Exchange.

The Dow had been up more than 40 points, but a few automated sell programs were enough to pull the market back because volume was light, said Michael Lyons, a stock trader at Dean Witter Reynolds Inc.

But Mr. Lyons said the market was still strong because most investors had already done whatever selling they were going to do for tax purposes. "You've had every opportunity to sell into these rallies and make your money," he said. Now, portfolio managers are adding stocks that have performed well this year, and they are willing to pay premium prices to do it.

"There is a bias in the market as you get to year-end," said Larry Wachtel, a market analyst at Prudential Securities. "It begins to show up in the middle part of December and becomes more graphic in the last four to five days of the month. It reflects the lifting of some tax-selling pressure, and mutual-fund flows beginning to come in a bit more rapidly."

One of the longest economic expansions since the end of World War II has already produced the two best years for the U.S. stock market since the mid-1950s. Analysts are optimistic that stocks will rise next year too, if more slowly.

"Everything validates the viewpoint that we have slow but steady growth," said Michael Metz, market strategist at Oppenheimer & Co. "There's no significant inflation, and there's a bond market that remains buoyant."

The price of the benchmark 30-year Treasury bond finished steady at 98 30/32, leaving the yield at 6.58 percent. The market was underpinned by speculation that the Federal Reserve Board will not need to lift interest rates soon to fight inflation.

"Everything's still pretty positive," said Kenneth Ducey, head of trading at BT Brokerage, a unit of Bankers Trust New York Corp. "The focus will be on the bond market, and that looks in pretty good shape. The direction is still going to be higher."

The economy expanded at a 2.1 percent annual rate in the third quarter, a pace considered too slow to speed inflation. Signs that consumers were unwilling to spend a lot during the holidays encour-

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Bears in Tokyo Claw At a Limping Yen

Compiled by Our Staff From Dispatches

TOKYO — The dollar rose above 115 yen in Asian trading Thursday, its highest level in three and a half years, as weakness in Japan's economy shook faith in Japanese assets.

Falling Japanese stock prices and record low interest rates also made investors less enthusiastic about holding yen, analysts said.

"The Nikkei remains weak, and there are worries about a further sell-off," Chris Turner, an analyst at IDEA, said, referring to Tokyo's main stock-market index. "Exporters are generally interested in selling and aren't indicating any hesitancy if the dollar continues to go higher."

Concern about Japan's economy was stoked by data released Thursday showing a 1.9 percent fall in November industrial output from October, the third time in six months that output had fallen, as production by auto and electronics makers slackened. In addition, retail sales slipped 0.3 percent in November from a year earlier, after a rise of 0.6 percent in October.

The data helped send the Nikkei 225 share index down 1.32 percent, to 19,291.58 points.

Bond prices also fell, sending the yield on the No. 182 benchmark 10-year gov-

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NEC Absorbs Charge to Revamp Electronics Unit

Compiled by Our Staff From Dispatches

TOKYO — NEC Corp. said Thursday that losses at its electronics subsidiary would result in a one-time charge of 98 billion yen ($859 million) against its earnings in the year ending March 31, 1997.

NEC said it was restructuring its NEC Home Electronics Ltd. unit and would reduce the subsidiary's capital to less than 5 billion yen from the current 131.5 billion yen.

NEC said that the accumulated deficit at the unit, which makes computer monitors, TV games and satellite TV tuners, would have reached 130 billion yen by the end of March without the restructuring.

"We are still facing an uphill battle, but we think we have just passed an important hurdle," said Shigeo Matsumoto, senior vice president of NEC.

Mr. Matsumoto said the company planned to minimize the impact of the 98 billion yen write-off by generating about 60 billion yen from the sale of securities.

NEC also expects to post a one-time loss of about 12 billion yen related to its North American unit, NEC Technologies, partly because of the disposal of unnecessary assets after consolidation of its PC business with Packard Bell in July.

The special losses will adversely affect NEC's net profit, which would otherwise have grown, it said.

NEC raised its prediction for full-year pretax profit to 120 billion yen from its previous forecast of 115 billion yen. But that would still be 21 percent below the group profit it earned in the previous financial year.

NEC said it raised its profit forecast because of strong sales of telecommunications equipment and computers on the back of brisk demand for Internet and other services.

The company said it expected its group sales to reach 4.79 trillion yen, up from an earlier forecast of 4.75 trillion yen. Sales totaled 4.40 trillion yen last year.

For the parent company alone, NEC expected to post profit of 105 billion yen in the year ending March 31, up slightly from the 100.62 billion yen last year. The company said an unexpectedly large fall in semiconductor prices was likely to cap any increase.

(AFP, Reuters, Bloomberg)

Shuffle at Bank of France Watched for Franc Clues

Reuters

PARIS — The government is expected to decide next Friday on replacements for two members of the Bank of France's monetary policy council, Paul Marchelli, a council member, said Thursday.

The composition of the nine-member council is being closely watched by financial markets for signs of any softening in the independent central bank's determination to defend the stability of the franc against the Deutsche mark. The bank has recently held French interest rates slightly above comparable German rates to protect the franc against speculative attack in the foreign-exchange market.

Mr. Marchelli said the council, which met Thursday, had given its opinion on a list of six candidates proposed for the posts. The mandates of the two members end in January.

But Mr. Marchelli declined to say what the council's opinion of the six candidates was. The council expresses its opinion on prospective new members in an advisory capacity; the French cabinet makes the final decision.

A three-person minority on the current council is believed to favor faster rate reductions to stimulate economic growth and employment, including bringing French rates below German ones if the Bundesbank fails to ease monetary policy any further.

Mr. Marchelli has argued publicly that French rates could be cut without damaging the franc. A change in the composition of the council, which was set up when the central bank became independent in 1994, could tip the balance in favor of that minority.

The mandates of two members of the council — Jean Boissonnat, a former journalist, and Bruno de Maulde, a former banker — are coming up for renewal.

Both are believed to form part of a six-person majority backing Governor Jean-Claude Trichet's cautious approach to an easing of monetary policy. Of the two, only Mr. Boissonnat is seeking to stay on.

One source said he believed that President Jacques Chirac had intervened to get Pierre Guillen, formerly chief of an employers' federation, and Jean-Rene Bernard, former president of a regional bank, onto the list of nominees. Both are close to the president and are believed in some quarters to favor faster rate reductions.

Sources close to the nomination process said, however, that Mr. Chirac, who this month restated his commitment to a stable franc, was not expected to try to cause the bank to make any radical departure from that policy.

"You don't change monetary policy the way you change your shirt," Mr. Marchelli said.

Mr. Chirac's office has declined to comment.

Mr. Trichet's own mandate expires at the end of 1999.

WALL STREET WATCH

A Year of Records for Mergers, Acquisitions and IPOs

By Adam Levy
Bloomberg Business News

NEW YORK — The U.S. stock market's sixth consecutive annual gain helped to spur this year's rally in many equity markets worldwide and to stimulate record levels of activity in mergers, acquisitions and initial public offerings of stock.

U.S. stocks have risen about 25 percent this year — on top of a 33 percent gain in 1995 — helped by an expanding economy that drove the dollar up 10 percent against the yen and 8 percent against the Deutsche mark.

Brighter prospects for the U.S. economy increased trade worldwide, producing cross-border acquisitions and helping other stock markets. In Russia, for instance, the stock exchange posted a 130 percent gain. Stock rallies in Germany, Venezuela, Brazil, Taiwan and elsewhere helped fuel a worldwide record total of 1,150 initial public offerings valued at $137 billion, with 840 of them totaling $49 billion taking place in the United States.

The markets' advance was accelerated by "momentum investing," said Marc Perkins, a money manager and general partner at Kass Perkins Partners: "Stocks rose because investors figured they would go up."

Such optimism has also infected companies, which had a huge appetite for mergers and acquisitions this year. Corporate mergers, propelled by record stock prices and low interest rates, surged 25 percent worldwide to a record $1.04 trillion, surpassing last year's record of $866 billion.

The most expensive cross-border acquisition ever occurred in November when British Telecommunications PLC bid $25.5 billion for MCI Communications Corp., America's second-biggest long-distance telephone company.

U.S. computer and chip stocks led the rally that took the Dow Jones industrial average to a record close of 6,547.79 points on Nov. 25. The benchmark index closed just below that level Thursday, at 6,546.68.

International Business Machines Corp. has soared more than 60 percent this year to a nine-year high, and Intel Corp.'s shares have gained about that much in the past three months.

U.S. bonds did not fare as well, partly out of concern that the Federal Reserve Board would raise interest rates to guard against inflation. The yield on the benchmark 30-year Treasury bond hit a peak of 7.19 percent July 5, up about 1¼ percentage points since the first of the year, and an investor who bought 30-year bonds at the beginning of the year would have lost about 1.6 percent.

This year also saw a world record initial public offering when Deutsche Telekom AG put a 24 percent stake on the market last month, raising $11.4 billion. Lucent Technologies Inc., AT&T Corp.'s equipment arm, broke away from its corporate parent in April, raising $3 billion in the largest IPO in U.S. history.

Companies based outside the United States have taken in 38 percent of the money raised in initial offerings in America this year, compared with 29 percent last year, said William Smith of Renaissance Capital Corp.

"The number of IPOs in the U.S. increased 46 percent in 1996, but the most interesting trend was the increase in foreign companies tapping into the U.S. market," Mr. Smith said.

Russia's RAO Gazprom — which accounts for about 8 percent of Russia's economic output and produces 23 percent of the world's natural gas — became the first Russian company to list shares on the London Stock Exchange.

Peru raised $1 billion by selling a stake in its telephone monopoly, Telefonica del Peru SA, the largest share sale in Latin America since 1993.

In addition, stock-market advances gave many companies the ability to acquire rivals in share swaps.

In the world's biggest-ever corporate merger, the Swiss drug companies Ciba-Geigy AG and Sandoz AG announced in March that they would merge, creating Novartis AG, the world's second-largest drug company, valued at about $36 billion. Axa SA of France, meanwhile, agreed to pay $9.02 billion for Union des Assurances de Paris, creating the world's second-biggest insurer and the largest asset-management company.

In the United States, a new telecommunications law allowed local phone companies to enter the long-distance business and ushered in a wave of consolidation among the nation's so-called Baby Bell companies. SBC Communications acquired Pacific Telesis Group for $16 billion; a month later, Bell Atlantic Corp. agreed to buy Nynex Corp. for $22 billion.

This month, Boeing Co. followed the trend toward defense-industry consolidation by agreeing to pay $13.94 billion to acquire the rival airplane maker McDonnell Douglas Corp.

Utilities also were up for grabs. Five U.S. electricity companies acquired natural-gas concerns in 1996, led by Duke Power Co.'s $9.8 billion acquisition of PanEnergy Corp. In the rail industry, Conrail Inc. was courted by both CSX Corp. and Norfolk Southern Corp.

A standout amid the merger wave, AT&T, once the largest company in the United States, split into three units: its main phone business, Lucent and NCR Corp., its unprofitable computer-making unit.

In Japan, meanwhile, Nippon Telegraph & Telephone Corp. said it would split into three companies, a move that would unseat AT&T's as the largest-ever corporate dismantling.

Not all the world's companies or stock markets advanced in 1996. Japan's stock market are down a little more than 1 percent, and markets in Korea and Thailand markets have plunged about 25 percent, ranking at the bottom of the world's markets.

CURRENCY & INTEREST RATES

Cross Rates Dec. 23-26

	$	£	DM	FF	Lit	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.2435	2.027	1.1222	0.3355	0.7147*	—	5.4475*	1.3063	1.5302*	1.2755	1.3325*
Brussels	33.995	55.4225	29.6595	9.1725	19.5455*	18.36	—	35.9215	41.8284	34.85	36.41*
Frankfurt	1.1535	1.8815	—	0.3063	0.6512*	0.6912	4.9538*	1.221	1.3675*	1.1397	1.1872*
London (a)	1.6316	—	0.5999	0.1777	0.3553.142	0.3179	32.5688	0.2258	180.7121	0.2823	219.0894
Madrid	138.726	219.871	114.777	24.952	0.561*	75.888	4.3855	99.722	114.561*	95.232	—
Milan	1,217.78	1,928.75	903.98	219.49	—	877.25	47.90	1,142.34	13.397	1,015.10	11.879
New York (b)	—	1.6744	1.3533	0.344	0.7459*	1.008	0.1439	0.987	4.5079*	0.8474	4.81*
Paris	5.349	8.797	3.9747	—	0.253	0.576	0.1587	0.5.48	—	0.4134	0.0774
Tokyo	115.89	192.35	73.79	21.57	0.0384	0.0883*	0.7832	9.4265*	1.0219	1.1975*	—	1.044*
Toronto	1.1446	2.2803	0.879	0.2569	0.0574*	0.7655	4.1729*	—	1.1714*	0.9777	1.2286*
Zurich	1.226	2.2374	0.8889	0.2549	0.0564	0.8842	4.9492	1.0729	141.783	1.1893	143.546
1 ECU	1.2693	0.7465	1.9427	0.5553	1990.01	2.1804	48.6402	1.0729	147.03	1.2317	148.39
1 SDR	1.4387	0.8585	2.2349	0.6391	2,294.67	2.5093	56.0476	1.2924	9.02	1.4168	170.39

Rates in Amsterdam, Brussels, London, Milan, Toronto and Zurich from December 23. Closings in Paris, New York and Tokyo, fixings in other centers.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	246.84	Mex. peso	7.831	S. Afr. rand	4.698
Australian $	1.2549	Hong Kong $	7.737	N. Zealand $	1.4144	S. Kor. won	844.00
Austrian sch.	10.939	Hung. forint	164.74	Norw. krone	6.4443	Swed. krona	6.8447
Brazil real	1.0086	Indian rupee	35.825	Pak. peso	26.26	Taiwan $	27.50
Chinese yuan	8.3277	Indo. rupiah	2362.13	Peru. new sol	1.56.42	Thai baht	25.59
Czech koruna	27.33	Irish £	0.6037	Polish zloty	2.87	Turkish lira	104502.
Danish krone	5.945	Israeli shek.	3.2735	Port. escudo	5548.00	UAE dirham	3.6705
Egypt. pound	3.392	Kuw dinar	0.2999	Russ ruble	5.7505	Venez. bolív.	475.50
Fin. markka	4.6434	Malay. ring.	2.5282	Saudi riyal	1.3992		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6745	1.6732	1.6720	Japanese yen	114.33	113.87	113.38
Canadian dollar	1.3432	1.3403	1.3380	Swiss franc	1.3400	1.3363	1.3329
Deutsche mark	1.5522	1.5495	1.5467				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates Dec. 23

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5⅛ - 5⅛	3⅛ - 3⅛	2⅛ - 2⅛	5⅛ - 6⅛	3⅛ - 3⅛	⅞ - ½	4⅛ - 4⅛
3-month	5⅛ - 5⅛	3 - 3⅛	1⅞ - 2⅛	6⅛ - 6⅛	3⅛ - 3⅛	⅞ - ½	4⅛ - 4⅛
6-month	5½ - 5⅝	2⅞ - 3⅛	1¾ - 2⅛	6½ - 6¾	3⅝ - 3⅛	⅞ - ⅞	4⅛ - 4⅛
1-year	5⅛ - 5⅛	3⅛ - 3⅛	1⅝ - 2⅛	6⅛ - 7⅛	3⅛ - 3⅛	½ - ⅝	4⅛ - 4⅛

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds	5⅛	5⅛
90-day CDs dealers	5.48	5.48
180-day CD dealers	5.25	5.27
3 month Treasury bill	4.96	4.95
1-year Treasury bill	5.20	5.22
3-year Treasury bill	5.83	5.83
5-year Treasury note	6.12	6.12
7-year Treasury note	6.22	6.21
10-year Treasury note	6.34	6.34
30-year Treasury bond	6.58	6.58
Merrill Lynch 30-day RA	4.95	4.94
Japan		
Discount rate	0.50	0.50
Call money	Clsd	0.44
1-month interbank	—	0.53
3-month interbank	—	0.53
6-month interbank	—	0.56
10-year Govt bond	—	1.48
Germany		
Lombard rate	4.50	4.50
Call money	Clsd	3.80
1-month interbank	—	3.30
3-month interbank	—	3.25
6-month interbank	—	3.15
10-year Bund	—	5.80

Britain		
Bank base rate	6.00	6.00
Call money	—	5⅝
1-month interbank	—	6⅛
3-month interbank	—	6⅛
6-month interbank	—	6⅛
10-year Gilt	—	7.80
France		
Intervention rate	3.15	3.15
Call money	3¼	3¼
1-month interbank	3⅜	3⅜
3-month interbank	3⅜	3⅜
6-month interbank	3⅜	3⅜
10-year OAT	5.74	5.77

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich		Closed	
London		Closed	
New York	370.50	371.10	+0.50

U.S. dollars per ounce. London official fixings: Zurich and New York opening and closing prices New York Comex (Feb.)
Source: Reuters.

ValuJet Crash Hits Low-Fare Carriers

Tower Air and Others See Bookings Fall Amid New Safety Concerns

By Matthew L. Wald
New York Times Service

NEW YORK — The DC-9 that went down in flames near Miami in May was owned and operated by ValuJet Airlines Inc., but Tower Air Inc., a different low-fare airline based in New York, says it is still struggling to recover from that crash.

Tower's domestic passenger bookings are down 25 percent since the crash, the carrier says, and, partly as a result, it expects to post a loss this year for the first time since 1986.

As with other low-cost airlines that have been tainted by the ValuJet disaster, not all of Tower's problems can be traced simply to the crash. For one thing, the difference between the unrestricted fares offered by Tower and the discount fares available from its big-name competitors such as AMR Corp.'s American Airlines Inc. and United Air Lines Inc. has narrowed significantly, giving many passengers who can plan ahead less incentive to choose a Tower flight. Moreover, Tower itself does not have a squeaky-clean safety record; the National Transportation Safety Board, examining an accident involving the carrier December 1995, found its cause to be pilot error.

Also as with many other small airlines, a large portion of Tower's flying is chartered, not scheduled. The ValuJet crash did not affect its charter business, although military charter business, always unpredictable, is off this year.

Tower's scheduled service, meanwhile — concentrated on a few long-haul destinations from New York such as Paris, Los Angeles and Sao Paulo — has suffered among customers from the United States.

Passengers outside America have not changed their travel patterns because of the ValuJet crash, Tower's chairman and chief executive, Morris Nachtomi, said, but Americans have, and the percentage of seats filled on its scheduled flights, the key to profitability, fell to 73.1 percent in the third quarter from 79.3 percent a year earlier.

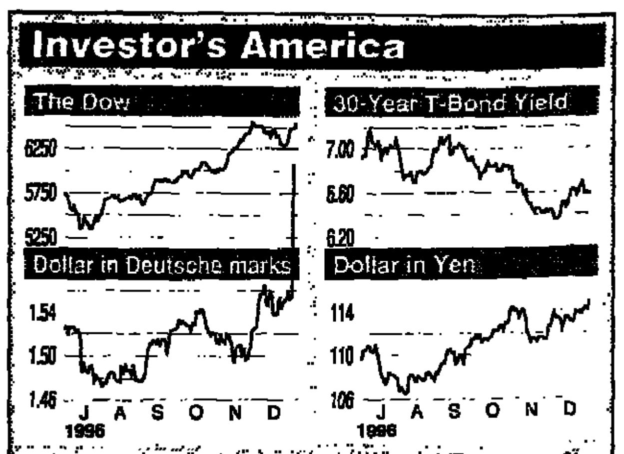
That is why Mr. Nachtomi is now trying to make the case that low-cost airlines such as his do not deserve the reputation they seem to have been given by the ValuJet crash. That crash, he said, created a perception among American travelers that paying more for a ticket on a bigger carrier made them safer. Passengers think, he said: "My life is important enough; I'll pay another hundred bucks to fly to Los Angeles."

But because all airlines operate under the same federal rules, Mr. Nachtomi argued, passengers on big-name carriers are really "no safer" than they are with Tower.

Tower is not alone in its complaint. Another small airline, Kiwi International Airlines Inc., went bankrupt recently. Though it was already suffering from financial and management problems, the loss of confidence created by the ValuJet crash pushed it over the edge, Kiwi officials said. Other small carriers have also experienced a drop in bookings.

THE AMERICAS

Investor's America



Exchange	Index	Thursday Close	Prev. Close	% Change
NYSE	The Dow	6546.68	6489.02	+0.89
NYSE	S&P 500	755.82	746.93	+1.19
NYSE	S&P 100	735.60	726.14	+1.30
NYSE	Composite	397.07	393.29	+0.96
U.S.	Nasdaq Composite	1292.23	1279.39	+1.00
AMEX	Market Value	582.83	580.96	+0.32
Toronto	TSE Index	Closed	5862.90	-
São Paulo	Bovespa	69577.60	69125.80	+0.65
Mexico City	Bolsa	3310.89	3399.17	-2.60
Buenos Aires	Merval	650.04	638.26	+1.85
Santiago	IPSA General	4916.35	4873.33	+0.88
Caracas	Capital General	6476.15	6414.93	+0.95

Source: Bloomberg, Reuters International Herald Tribune

Bagels Selling Like Hotcakes

A New York Staple Becomes a Nationwide Hit

By Dana Canedy
New York Times Service

NEW YORK — For the bagel, a homely New Yorker with an immigrant accent, 1996 has been a breakout year.

What is today the Einstein/Noah Bagel Corp. started with one bagel outlet in Ogden, Utah, just 18 months ago. The chain has grown to 300 stores, with plans to open as many as 350 more by the end of next year. The stock market values the company, which is majority owned by Boston Chicken, at more than $850 million.

Last month, Kellogg Co. paid $455 million to buy Lender's Bagels from Philip Morris's Kraft Foods unit. And Dunkin' Donuts Inc., a unit of Allied Domecq PLC, invested millions of dollars to add bagels to its menu this summer. The product introduction, so far in 1,400 stores, is the single largest in the company's history.

All together, bagel sales have grown by a factor of five in just three years, according to the American Bagel Association, whose formation last year is just one more indication of the ground that the bagel is gaining on cereal, bacon and eggs and other traditional breakfasts.

According to the NPD Group, a research firm in Port Washington, New York, Americans are choosing bagels for 3.5 percent of breakfasts at home, almost triple the level of a decade ago. They figure in 5.5 percent of breakfasts outside the home, a gain of 150 percent even as consumption in restaurants of eggs, toast, muffins, doughnuts and cereal is falling.

Indeed, demand for the dense, chewy rolls has so broadened that third-generation bagel bakers in Brooklyn, New York, are mixing in such yuppie ingredients as pesto and sun-dried tomatoes, while in Des Moines, Iowa, bagel franchises are turning out chocolate-chip bagels for dessert.

"That's what happens when it comes to Iowa," said Rabbi Steven Fink of Temple B'nai Jeshurun in Des Moines, who remembered that just five years ago, getting a decent bagel in Iowa required having it shipped from a Jewish deli in New York.

"This desire for good bagels has become so pronounced that we are now inundated with bagel restaurants and bakeries," Rabbi Fink said. "We have five new bagel bakeries and restaurants in Des Moines in the last two years."

Around the United States, bagel sales grew to $1.6 billion last year, from $429 million in 1993, according to the American Bagel Association. The trade group, based in Dayton, Ohio, estimates that the industry will reach $2.3 billion in sales this year.

The bagel has been so successful that there is talk of a shakeout from all the competition. Some analysts say Kellogg is coming very late to the game. Expanding chains are fighting for investment dollars. BAB Holdings Inc., the Chicago-based parent company of Big Apple Bagels, acknowledges it may not be able to assemble the cash for one planned acquisition.

Meanwhile, bagel makers are racing to grab market share. Quality Dining Inc. of Mishawaka, Indiana, owner of Bruegger's Bagels, has 435 bagel shops, 225 of them opened in the last year, and expects to have 670 shops open by next October.

Big Apple Bagels has 150 shops, of which 89 opened in the last year, and another 125 planned for 1997. Manhattan Bagel Co., based in Eatontown, New Jersey, has grown to about 300 stores since 1987, half of them opened this year. Dunkin' Donuts plans to increase the number of its shops that sell bagels to 2,500 by April.

Bagels, in short, are just about everywhere.

"I can't remember the last time we had doughnuts," said Juanita Cowen, a police services assistant with the Montgomery County Police Department in Bethesda, Maryland, for 19 years. "We always have bags of bagels."

While it may seem that the bagel boom happened overnight, it actually follows decades of pavement pounding by bagel makers who realized their survival hinged on expanding beyond Jewish neighborhoods into new markets.

"We had to cross over ethnic lines. We had no choice," said Murray Lender, who with his brother Marvin ran Lender's Bagels before selling it to Kraft in 1984. "The vision was to really get it out of the ethnic marketplace."

Bagel makers began a marketing blitz, including advertisements that played up the bagel's health benefits and played down its ethnic origins.

To customers like Richard Nielsen, a New Jersey salesman, all this industry activity simply means that the best bagel bakers are vying for his dollar, making it more convenient for him to pop into a shop between sales calls.

"They taste great, and they are quick when you're on the run," Mr. Nielsen asked while chewing a bagel at a Bruegger's Bagels in midtown Manhattan. "It's the yuppie food of the '90s."

STOCKS: *Year-End Rally Reigns*

Continued from Page 11

aged some bond investors to believe that inflation would stay low, allowing the Fed to refrain from raising rates into the spring.

Semiconductor and telephone companies led the stock rally as investors continued to anticipate rising corporate profits in 1997.

AT&T was the most actively traded stock on the Big Board, rising 1⅝ to 43. U.S. regulators unveiled a proposal Tuesday to overhaul the fees that local phone companies charged to long-distance providers. The plan, in its current form, would ease some costs for long-distance companies such as AT&T. Worldcom rose 1 to 25, and MCI gained ¼ to 32¾.

Intel led technology issues higher, rising 1⅜ to 136⅝ after regulators announced their endorsement of a technology standard for digital-TV broadcasts. The standard did not dictate which kind of video format would be used, leaving open the possibility that computer makers could market digital screens.

Dell Computer rose 1¼ to 55¼, and Micron Technology gained 1⅛ to 31¼.

Peerless Systems rose 1⅜ to 17⅜, a record, after the chief executive of the developer of software-based imaging systems, Edward Gavaldon, said the company was looking to expand its relationship with Hewlett-Packard. Hewlett-Packard rose ⅜ to 51¾.

Zitel rose 4 13/16 to 52⅛, gaining for a third day after a stock researcher's prediction that its stake in MatriDigm would lead to "the biggest revenue ramp" in recent business history. Zitel owns 33 percent of closely held MatriDigm, which is testing software to prepare computers for 2000.

Bank stocks, among this year's best-performing sectors, rose as Treasury bond yields stayed stable, ensuring wide profit margins. Suntrust Banks rose 1 to 51¾, Fifth Third Bancorp. rose ¾ to 65½, and Citicorp rose 1⅜ to 106⅜.

So far this year, so-called money-center banks such as Citicorp and BankAmerica are ahead almost 51 percent as a group. Investment banks and brokerage concerns have climbed 49 percent.

Eldorado Bancorp. rose 1⅞ to 22¼ after Commerce Security agreed to acquire Eldorado for $90 million.

But not all financial stocks rallied. American Express fell 2¾ to 56⅞ as speculation waned that General Electric would buy the company. On Tuesday, the charge-card issuer reached a record amid such takeover talk. GE would not comment on the speculation, but a source familiar with the situation said GE was not interested in buying American Express. GE stock rose 1¼ to 103¼.

U.S. STOCKS

Ralcorp Holdings rose 1⅛ to 20 and General Mills fell ⅛ to 65½ after U.S. regulators agreed not to oppose General Mills's acquisition of Ralcorp Holdings' branded cereal and snack business, including the Chex cereal brand.

General Mills, in turn, agreed to allow Ralcorp, America's largest producer of private-label cereals, to produce a private-label version of the Chex brand of cereals, the largest of the Ralcorp brands being acquired by General Mills.

Government Technology Services rose 5/16 to 6 3/16 after winning a $237.5 million U.S. Army order for portable computers, software and other equipment along with the privately held Sysorex Information Systems.

Drugmakers' stocks rallied. Johnson & Johnson advanced ⅛ to 50⅛ after the company received clearance from U.S. regulators to sell Procrit, a treatment for anemia.

Royce Laboratories climbed 1 1/16 to 6⅞ after Watson Pharmaceuticals agreed to buy the generic drugmaker for the equivalent of $7.25 a share. Watson rose 1⅜ to 45¼. *(Bloomberg, AP, Reuters)*

Very briefly:

Chrysler Chief Chose to Take Profit

AUBURN HILLS, Michigan (Bloomberg) — Chrysler Corp.'s chairman, Robert Eaton, sold $2.8 million in stock last month — his first sale since 1994 — a few weeks before he said he expected the auto industry to experience a slowdown in the coming year.

Mr. Eaton was one of 18 Chrysler officers who sold a total of 825,185 shares for a record $27.7 million in October and November. The sales came shortly after Chrysler's third-quarter earnings surpassed Wall Street's estimates and its shares traded near all-time highs.

Brazil Puts Banerj Up for Sale

RIO DE JANEIRO (Reuters) — Banerj, the first Brazilian state bank to be privatized, went on sale Thursday, with the country's two largest private banks bidding on the auction.

Bradesco SA and Banco Itau SA are the only investors that will participate in the closed-envelope privatization auction, Rio officials said. The other six pre-qualified investors — Banco BBA Creditanstalt, Bank of Boston's Brazil unit, General Electric Capital Corp., Banco CCF do Brasil, Companhia de Investimentos Latino-Americana and Golden Cross — have dropped out of the running.

• **Georgia-Pacific Corp.** agreed to sell timberland, a sawmill and other assets in Martell, California, to **Sierra Pacific Holding Co.** for about $320 million. Georgia-Pacific said it expected to gain about $80 million on the sale.

• **The National Labor Relations Board** ruled that **Caterpillar Inc.** must pay for discriminating against its 9,500 striking workers and that it had violated labor law by giving in-plant employees free meals, T-shirts and other benefits.

• **Montgomery Ward & Co.**, the largest privately held U.S. retailer, named Roger Goddu, a former **Toys 'R' Us Inc.** executive, as its chairman and chief executive. *(AP, Bloomberg)*

YEN: *Japanese Unit Slumps to Three-Year Low Against a Resurgent Dollar as Tokyo Shares Stumble*

Continued from Page 11

ernment bond to 2.495 percent, up 3.5 basis points, or hundredths of a percentage point.

"The market has yet to hit bottom as sentiment remains bearish," said Harushige Kobayashi, an equity analyst with Yamaichi Securities.

The government's reluctance to press ahead with economic reform also weighed down Japanese assets. The government said last week it would postpone moves such as cutting corporate taxes and modifying land taxes — steps the market had been counting on to spur the economy.

The dollar slipped from its highs after Prime Minister Ryutaro Hashimoto said Japanese officials did not expect to see erratic movements in the foreign-exchange market. But Mr. Turner said the market had largely dismissed what were seen as Japanese attempts at a verbal intervention to halt the yen's decline.

"The comments really didn't express opinion over the level of the yen, and until they do, I think the market will continue to test the 115 ground," Mr. Turner said.

Movements in exchange rates were tiny all around, as the dollar closed in New York at 114.893 yen, down from 115.000 yen at the close in Tokyo but up from 114.075 yen Tuesday in New York. Most markets were closed Wednesday for Christmas.

Stephen Flanagan, senior dealer at Credit Agricole, said the threat of a debt crisis in the Japanese banking sector, a factor exacerbated by the weak stock market, remained the yen's Achilles' heel.

Japanese banks said Thursday they planned to write off more than 700 billion yen ($6.14 billion) in bad loans they made to seven

FOREIGN EXCHANGE

failed housing-loan companies, or *jusen*. The government is now liquidating the seven jusen.

But a weaker yen offers a bright spot for Japan's economy: It lifts exports. Automakers have shifted production from overseas factories back to Japan as the yen has fallen. Japan's Automobile Manufacturers Association said Thursday that exports to the United States rose 33 percent in November. "Auto exports to the States won't slow down much because of the weakening yen," said Masaru Takagi, chief economist at Fuji Research Institute. "Exports will continue to increase until the dollar weakens, which won't be soon, because Rubin has said a strong dollar is good." He was referring to recent comments by U.S. Treasury Secretary Robert Rubin. American exporters, by contrast, have complained that a dollar trading above 110 yen hurts their ability to compete.

Against other currencies, the dollar slipped to 1.5533 Deutsche marks from 1.5547 DM on Tuesday, to 5.2440 French francs from 5.2455 francs and to 1.3435 Swiss francs from 1.3444 francs. The pound rose to $1.6740 from $1.6735.

Trading remained thin between the Christmas and New Year holidays.

The dollar was also lifted by strength in the U.S. stock market, which should continue to draw foreign investors to U.S. assets.

"As long as the Dow stays bid, then the dollar will stay bid," a trader at the New York branch of a major European bank said.

But expectations for Britain to raise interest rates kept the pound supported.

"I think there's a lot of sentiment that sterling will probably try to continue to go higher," said Hillel Waxman, first vice president at Bank Leumi Trust Co. of New York. *(AFX, AP, Bloomberg)*

AMEX

Thursday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	1755	13⅝	13⅛	13¼	—⅛
ARC	144	3⅝	3⅝	3⅝	—
AVIC Gp n	186	3¼	3⅛	3⅛	+⅛
AdvMed	1169	[illegible]	[illegible]	[illegible]	[illegible]
AdvPhot	305	2⅝	2⅛	2⅛	[illegible]
Aerosonic	85	3⅞	3⅝	3⅝	+⅛
AirWat	202	5⅞	5⅝	5⅝	[illegible]
AHoldgen	142	14⅞	14⅝	14⅝	+⅛
Allin	116	[illegible]	[illegible]	[illegible]	—
Alpholn	487	8½	8⅛	8⅛	—
AltLivng n	394	12⅛	12½	12⅝	+⅛
Amdhl	1303	12⅛	12¼	12⅜	+⅛
AExpl	708	16⅛	16⅛	16¼	+⅛
Ampal	143	4⅝	4⅛	4⅛	—⅛
Ampex n	2236	10⅛	9⅞	9⅞	—⅛
Andrea	190	11⅛	10⅞	11	—⅛
Aprogenx	345	[illegible]	[illegible]	[illegible]	[illegible]
ArmorH n	87	8	7⅞	8	+⅛
Arhylth	127	2¾	2⅝	2⅝	—⅛
AstLiving	88	15⅞	15⅝	15⅝	—⅛
Astrotc	128	6	5⅞	5⅞	[illegible]
Audvox	1278	6⅛	5⅞	6	+⅛
AurorEl	195	1⅞	1⅞	1⅞	+⅛
Autotote	2642	1⅜	1⅛	1⅛	—⅛
Axogen un	124	24⅝	24⅛	24⅝	+⅛
Azco	621	1⅞	1⅞	1½	+⅛
BAT Ind	136	16⅞	16⅝	16⅞	+⅛
Baker	304	6⅞	6⅝	6⅝	—
Baldw	218	2⅝	2⅝	2⅝	—
BarrLb s	116	26⅞	26⅜	26⅜	—⅛
BayMea	105	39⅝	39¼	39⅜	—⅛
Bayou	276	2⅝	2⅛	2⅛	+⅛
BSJpn wt	340	⅜	⅜	⅜	—⅛
BemaGold	804	6	5⅞	5⅞	—
BentPh	271	2⅝	2⅜	2⅝	—
BinkMf	88	40⅞	39⅞	39⅞	—⅛
BioR A s	111	29⅞	29	29⅝	+⅛
BlairCp	340	19⅞	18⅞	19⅛	—⅛
BlandT	90	8⅝	8⅛	8⅝	+⅛
BogenC	210	3⅝	3	3⅝	—⅛
BolfTch n	89	4⅛	3⅞	3⅞	—⅛
Bowmr	220	1⅞	1⅜	1⅞	+⅛
Bowne	384	24⅝	24	24⅝	+⅛
Brandyw s	267	19⅛	18⅞	19⅛	+⅛
CET EnvS	141	6⅞	6⅛	6⅛	—
CIM	241	8⅛	7⅞	8	+⅛
Cablvsn	458	29⅝	29⅛	29⅛	—⅛
Cablvs pf	437	20	19⅞	19⅞	—⅛
Calton	337	⅜	⅜	⅜	+⅛
CanyonRs	1040	2⅝	2⅜	2½	+⅛
CapRcH	87	3⅜	3⅜	3⅜	—
Cardtch n	211	2⅝	2⅛	2⅛	—⅛
Caremtx n	131	13⅞	13	13⅞	+⅛
CasFd	135	26	25⅞	25⅞	+⅛
Chief	830	26	25⅝	26	+⅛
CitFFin n	107	14⅝	14	14⅝	+⅛
CoastD	237	3⅞	3⅝	3⅝	—⅛
Cognitrn	104	3⅝	3½	3⅝	—⅛
CohenStr	105	11⅞	11⅝	11⅞	+⅛
ColLb	2147	14⅞	13⅞	14⅝	+⅛
Comforce	193	12⅝	12⅛	12⅝	—
CompTch	140	[illegible]	[illegible]	[illegible]	[illegible]
CmpMan	245	12⅞	12⅛	12⅞	[illegible]
Comptek	156	5⅞	5	5	+⅛
Continucre	110	8⅞	8⅜	8⅞	[illegible]
CnvsE	401	5⅞	5⅞	5⅞	—
CornCor n	129	9⅞	9⅞	9⅞	+⅛
Cross	634	11⅝	11⅛	11⅝	—
ecCrwnL	217	⅝	⅝	⅝	—⅛
Cycomm gs	482	3⅛	2⅞	3	—
DI Ind	276	2⅞	2⅝	2⅝	+⅛
DairyA	159	4⅛	4	4	—⅛
DakotaM	569	1⅞	1⅜	1½	—⅛
DanlHd	275	4⅞	4⅝	4⅞	—⅛
Datamet	1209	1	⅞	⅞	—
Daxram	120	8⅝	8⅛	8⅝	+⅛
DaytonMin	152	6⅞	6⅝	6⅝	—
DevAmer	149	3⅜	3⅛	3⅛	+⅛
DevnE	279	35⅝	35⅛	35⅝	+⅛
DigitCT	272	1⅛	1⅛	1⅛	+⅛
Diodes	329	8⅞	8⅝	8⅞	—
DryBwlu	353	9⅞	9⅝	9⅞	—
EXX A	118	4⅝	4⅝	4⅝	+⅛
EZ Serv	619	11⅞	11⅝	11⅞	+⅛
EchoBay	5502	6⅞	6⅝	6⅞	+⅛
Edtek	1126	1⅜	1⅛	1⅛	—⅛
ElPasoE n	2313	8⅝	8⅛	8⅛	+⅛
Eldorad	566	22⅞	22⅛	22⅛	+1⅞
EmerR	277	1⅞	1⅝	1⅞	—⅛
EmpCar	429	4⅛	4	4	—⅛
EnzoBi	362	18⅝	17⅞	18	—
Epitope	396	12⅛	11⅞	11⅞	—⅛
EsexBc	124	2⅝	2⅜	2⅝	+⅛
FormTel s	153	3	3	3	—⅛
FemHlth	220	1⅝	1⅝	1⅝	—⅛
Fibrbd	103	33⅞	33	33⅞	+⅛
FtAust	650	8⅝	8⅛	8⅝	+⅛
FAusPr	1931	9⅝	9	9⅛	+⅛
FtCntrl	139	3⅞	3⅝	3⅝	—⅛
Fiber	351	10⅞	10⅝	10⅞	+⅛
ForstLb	2556	31⅞	30⅞	31	—
FortPet	135	2⅞	2⅝	2⅝	—
FrnkSel	178	5⅞	5⅝	5⅝	—
FreqEl	87	11	10⅝	11	+⅛
GA Fnd n	532	14⅞	14⅛	14⅝	+⅛
GST Tele	1659	8⅛	7⅞	8	—
GoyiCn	1854	6⅞	6⅛	6⅛	—⅛
GnAuto	609	11⅞	11⅛	11⅛	—⅛
GnEmp	161	9⅞	9⅝	9⅞	+⅛
GenKinet	219	⅝	⅝	⅝	—⅛
GlatchGld	271	40⅝	39⅞	39⅞	+⅛
GiantFd	246	35	34⅝	34⅝	+⅛
Glaffh	224	18⅛	17⅞	18	+⅛
GlblOcn	463	2⅞	2⅝	2⅝	—⅛
GlobSml	107	11⅞	11⅛	11⅛	—⅛
Globlink	695	3⅞	3⅝	3⅞	+⅛
GovVideo	348	1⅛	1	1	—⅛
GldStarR	809	13⅞	13⅛	13⅛	—⅛
GldFld	553	⅞	⅞	⅞	+⅛
GormRup	105	13⅞	13½	13⅞	+⅛
Greenbr	105	13⅛	12	13	+⅛
Greyhnd L	2734	3⅞	3⅛	3⅞	+⅛
GrSmec	88	3⅝	3⅛	3⅛	—⅛
HalEP	93	9	8⅝	9	—⅛
Halsey	397	6⅞	6	6⅝	—⅛
HanvDir	2574	⅞	⅝	⅝	—⅛
Han wtB	3929	⅛	⅛	⅛	—
Harken	3273	2⅞	2⅝	2⅝	—⅛
Harold	978	14⅞	14⅛	14⅞	+⅛
Hasbro	7951	38⅞	37⅞	38⅝	+⅛
HawAir	312	3⅞	3	3	—⅛
Hearx n	17604	2⅞	2⅛	2⅝	+⅛
HomeVil n	239	18⅝	17⅞	18⅛	+1⅛
HomeV wt	121	9⅛	8	9	+1⅛
HoopH	153	18⅛	17⅞	18⅛	+⅛
HovnEn	489	7⅛	7	7⅛	—⅛
HungTel	161	9	8⅞	8⅞	—⅛
ICG Com	891	17⅞	16⅞	17⅛	+⅛
IGI	316	6⅛	5⅞	6⅛	+⅛
Identix	633	8⅞	8⅛	8⅝	—⅛
ImpCMtg	402	24	23⅞	23⅞	+⅛
ImpOil g	154	45⅞	45	45	—⅛
IntegTc n	150	2⅞	2⅜	2⅜	—⅛
IntegTc wt	103	⅝	⅝	⅝	+⅛
InCtPd	506	3⅛	3	3⅛	+⅛
InterDig	2027	6⅞	5⅞	5⅞	—⅛
eclntrine	258	⅞	⅞	⅞	—
Intrmagn	326	13⅝	12⅞	12⅞	—⅛
IRIS	159	3⅞	3⅝	3⅝	—
IntThrgh	90	3⅝	3⅛	3⅝	—⅛
IonLaser	163	12	11	11⅞	+⅛
IvaxCp	9372	10⅝	10⅛	10⅛	—⅛
JTS Corp	1990	3⅞	3⅝	3⅝	—⅛
JanBell	369	2⅝	2⅜	2⅜	—
Jetronic	118	1⅛	1	1⅛	+⅛
KBK Cap	95	4⅞	4⅝	4⅞	+⅛
KFX Inc	712	5⅞	4⅞	5⅝	+⅛
Keane s	205	30⅝	29⅝	30⅝	+1⅛
KnogNA	504	5	4⅞	5	+⅛
KogrEq	222	17⅞	17	17⅞	+⅛
LXRBio	365	2⅞	2⅝	2⅝	—⅛
Lafarg	145	6⅞	6⅝	6⅝	+⅛
Landaur	97	24⅞	23⅞	24⅝	+⅛
LaserTech	165	3⅞	3⅝	3⅞	—⅛
LitVern	89	12⅞	12	12⅞	+⅛
LittldAd	88	3	2⅞	2⅞	—⅛
MAI Sys	481	6⅞	5⅞	6⅞	—
MC Shp	340	4⅞	4⅝	4⅝	+⅛
Magellan	176	21⅞	20⅞	21	—
MagnPet	251	4⅞	4⅛	4⅛	—⅛
MaximPh n	184	7⅞	7⅛	7⅛	—⅛
MedcR	106	10⅞	10⅛	10⅞	—⅛
Media	148	30⅝	30⅛	30⅛	—⅛
MediaLog	545	3⅞	2⅞	3	—⅛
Media	153	6⅝	6⅛	6⅛	—
ML Nik 97wt	185	[illegible]	[illegible]	[illegible]	—
ML TTY n	154	10	9⅞	10	—
Metromda	1039	10⅞	9⅞	9⅞	—⅛
MidAtlRty	302	11⅞	11	11⅞	—
MMed	100	9⅞	9⅝	9⅝	—⅛
MorgnF	99	⅞	⅞	⅞	—
MS TMX	110	32⅞	31⅞	32⅝	+⅛
MSNik 97wt	277	3⅞	3⅝	3⅝	—⅛
MatasaE	218	3⅞	3⅝	3⅝	—⅛
MovieStr	84	⅝	⅝	⅝	—
Munlin	167	8⅝	8⅛	8⅛	—⅛
MuniAdva n	146	16⅝	16⅛	16⅝	—⅛
Muniyst	867	9	8⅞	8⅞	—⅛
Myersind	114	17	16⅞	16⅞	—⅛
NTNCom	1759	3⅞	3⅝	3⅝	—⅛
NVR	754	12⅝	12⅛	12⅝	—⅛
Nabors	1298	20⅝	20⅛	20⅝	+⅛
Nanick	213	3⅞	3	3⅞	+⅛
NBcsTX	267	11⅞	11⅝	11⅝	—⅛
NtPatrf	553	8⅝	7⅞	8	—
NtRty	95	12⅞	12⅝	12⅝	+⅛
NY Times	388	38⅝	37⅞	38⅝	+⅛
NA Vacc	803	25⅝	25	25⅝	+⅛
Novavx	188	3⅞	3⅝	3⅝	+⅛
OOkiep	85	6⅞	5⅞	6⅛	+⅛
OmniMult	640	2⅞	2⅝	2⅝	+⅛
Oncor	666	4	3⅞	3⅞	+⅛
Oncormd	176	4⅞	4½	4⅞	+⅛
Oramen	3417	25⅞	22⅞	24⅞	—⅛
Oshmn	121	5⅝	5⅝	5⅝	—⅛
PC Quote	447	2⅞	2⅝	2⅝	—⅛
PGECap pf	105	24⅞	23⅞	23⅞	—⅛
PLC Sys	335	24	23⅞	23⅞	—⅛
PMC CT	102	18	17⅞	17⅞	+⅛
PanAmC n	192	8	7⅞	7⅞	—⅛
ParxsnC	985	8⅞	8⅛	8⅝	—⅛
PegGld	3198	8	7⅝	7⅞	—⅛
PenRE	109	23⅞	23⅝	23⅝	+⅛
PeopleTel	157	3⅞	3⅝	3⅝	—
PerinC	140	8⅝	8	8⅝	—
PhxNet	1097	3⅞	3⅝	3⅝	—⅛
Phonetel	212	3⅛	3⅛	3⅛	+⅛
PiedmBc s	115	10⅞	10½	10⅞	+⅛
PinnclBk	215	17	17	17	+⅛
PinRsc	233	15⅝	15⅛	15⅝	—⅛
Polymed	455	3⅞	3⅝	3⅝	—⅛
Polyph	613	4⅛	3⅞	4	—⅛
Polyvisn	191	⅞	⅞	⅞	+⅛
PortSys s	117	1⅝	1½	1⅝	—
ProMtr	424	1⅞	1⅞	1⅞	+⅛
PrpdLg	456	17⅛	16⅞	16⅞	—⅛
Pricell s	330	11⅞	11⅛	11⅛	+⅛
PsycCp	634	5⅞	5⅝	5⅝	—⅛
RF Pow	662	2⅞	2⅝	2⅝	+⅛
ecRandor	190	⅞	⅞	⅞	+⅛
RegGold	86	11	11	11	+⅛
RepalBel	294	19⅞	18⅞	19⅛	+⅛
RoyalO g	3441	3⅝	3⅛	3⅝	+⅛
SabaPet s	2012	26	23⅞	25⅝	+2⅛
SBYen wts	195	4⅝	4⅝	4⅝	+⅛
Scheib	189	7⅛	6⅞	7	+⅛
Schult	106	22⅛	22	22⅛	+⅛
Sales	101	16	15⅞	16	—
Servico	283	16⅝	15⅞	16⅝	+⅛
ShefldMd	174	3⅞	3⅝	3⅞	—
SmthSup	612	2⅞	2⅝	2⅝	—
ecSoligen	627	⅞	⅞	⅞	—
SpatialT n	85	4⅞	4⅝	4⅞	—
Stage	212	2⅛	2	2⅛	+⅛
SPDR	13304	75⅞	75⅛	75⅞	+1⅛
Stephan	107	12⅞	12⅝	12⅝	+⅛
StevinA	676	1⅝	1⅝	1⅝	+⅛
SubstAbus	6461	1⅝	1⅛	1⅝	—⅛
Sulcus	1112	1⅞	1⅝	1⅞	+⅛
Tachr	107	14	13⅞	14	+⅛
TelData	306	36⅞	36	36⅞	+⅛
Tenera	110	1⅞	1⅝	1⅝	—
TexBiotch	734	4⅛	3⅞	4	+⅛
TexBi wt	246	1⅛	1⅛	1⅛	+⅛
TexMer	254	17⅞	17	17	—
Thermed	330	19⅞	18⅞	19	+⅛
ThCor s	271	20	19⅞	20	—⅛
ThmEco s	137	16⅛	15⅞	15⅞	—⅛
ThmFib s	246	9⅞	9⅝	9⅝	—⅛
Thrmolse	258	16⅞	16⅛	16⅞	—⅛
Thrmst n	270	12⅝	12⅛	12⅛	—⅛
Thrmotr	317	28⅞	28	28⅞	+⅛
Thrmwd	218	1⅞	1⅝	1⅞	+⅛
TopSrce	3060	7⅞	7⅛	7⅝	+⅛
TotlPet	182	10⅞	10⅛	10⅞	+⅛
TownCty	463	3⅞	3⅝	3⅝	—
TWA	4302	7⅞	7⅝	7⅞	—⅛
TmsLx	91	11⅞	10⅞	11	—
Tmsmm n	103	14	13⅞	13⅞	—⅛
TrexMed n	326	14	13	13	—⅛
Trilitech	95	5⅞	4⅞	5	—⅛
Triton	138	9⅞	9⅝	9⅞	—
TubMex	1341	15	14⅞	15	+⅛
UTI Eng	224	38⅝	37⅞	37⅞	—1⅛
Unicap	1901	⅝	⅝	⅝	+⅛
Unimar	146	4⅝	4⅛	4⅝	—
UniqMbl	205	3⅞	3⅝	3⅝	—⅛
USBiosci s	760	13⅞	13	13	—⅛
US Cell	254	27⅞	26⅞	27⅞	+⅛
ValyRs	90	11⅞	11⅝	11⅞	—⅛
VKAdMu	121	11⅞	11⅝	11⅝	—
VKSelS	176	10⅞	10⅝	10⅝	+⅛
Viacom	218	35⅞	35⅛	35⅛	+⅛
ViacB	4118	36⅞	36	36⅞	+⅛
Viac wtC	3906	⅝	⅝	⅝	+⅛
Viac wtE	279	3⅛	2⅞	3	—
ViaSG g	288	1⅞	1⅝	1⅞	+⅛
Vitronic	455	1⅛	1	1⅛	+⅛
VoyMN2	265	12⅝	12⅛	12⅛	—
WRIT	109	16⅞	16⅛	16⅞	+⅛
WelGrd	134	4⅞	4⅝	4⅝	—⅛
WIRET	96	13	12⅞	13	—
WhtmrE s	168	5⅞	5⅝	5⅝	+⅛
WishTC	201	⅞	⅞	⅞	+⅛
WirelssT s	742	10⅞	10⅛	10⅞	—⅛
WEBCon n	727	12⅞	12	12⅞	—⅛
WEBFrn n	154	14⅞	14⅛	14⅞	+⅛
WEB Jpn n	361	13⅞	12⅞	12⅞	—
XCL Ltd	6373	⅜	⅜	⅜	—
Xytron	215	1⅞	1⅝	1⅝	—⅛

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6530.54	6563.21	6522.08	6546.68	+23.83
Trans	2260.76	2285.57	2257.21	2283.72	+25.89
Util	233.72	234.70	233.51	234.35	+0.28
Comp	2044.12	2054.87	2042.16	2053.39	+11.08

Standard & Poors

	High	Low	Close	Chg.
Industrials	888.49	881.21	887.03	+5.82
Transp.	547.03	540.99	546.36	+5.37
Utilities	200.30	199.47	200.02	+0.41
Finance	84.24	83.56	84.05	+0.49
SP 500	757.07	751.03	755.82	+4.79
SP 100	737.40	730.70	735.60	+4.90

NYSE

	High	Low	Last	Chg.
Composite	397.36	395.00	397.07	+2.07
Industrials	501.34	498.16	500.55	+2.34
Transp.	354.86	351.45	354.66	+3.21
Utility	260.67	258.29	260.46	+2.17
Finance	357.32	355.36	357.16	+1.80

Nasdaq

	High	Low	Last	Chg.
Composite	1293.56	1290.47	1292.23	+4.46
Industrials	1099.15	1096.89	1098.09	+1.34
Banks	1265.47	1263.47	1265.20	+1.65
Insurance	1453.47	1440.74	1447.40	+8.71
Finance	1591.25	1588.27	1588.27	+1.64
Transp.	891.55	885.03	891.55	+4.92

AMEX

High	Low	Last	Chg.
583.11	581.18	582.83	+1.48

Dow Jones Bond

	Close	Chg.
20 Bonds	103.56	— 0.02
10 Utilities	100.34	— 0.04
10 Industrials	106.79	+0.01

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
AT&T s	46230	43⅛	41⅝	43	+1⅝
Unicom	43326	27⅜	27	27⅜	+⅜
Motorola	35911	63⅝	60⅞	63⅛	+2⅞
MicrnT	29718	31⅝	30	31¼	+1⅛
K mart	24512	10⅛	10⅛	10⅛	—⅛
WalMart	23114	24⅝	23⅞	24	+⅛
DowCh	22934	79⅞	78⅞	79⅝	+⅜
CocaCl s	20268	53⅝	53	53⅛	+⅛
MidOcn	18379	57⅝	51	51⅛	—1⅛
Compaq	17339	76⅞	75⅛	75⅝	+1
Merck	17280	83⅝	81⅞	81⅞	—1½
Iomega s	16262	18	17⅝	17⅝	—⅛
BayNtwk	16144	21⅛	20⅝	21	+⅛
PepsiCo s	16090	29⅝	29⅛	29⅝	+⅛
Hanson s	15755	6⅝	6⅝	6⅝	—

Nasdaq

	Vol.	High	Low	Last	Chg.
WorldCm s	66455	25⅝	27⅞	25	+1
Intel	61965	138⅛	135⅛	136⅝	+1⅜
DellCpt s	43990	55⅛	53⅝	55⅛	+1¼
Microsft s	34740	86⅝	85⅝	85⅞	+⅜
Arabis	34633	3⅞	2⅞	2⅞	—⅛
TeleComA	32797	13⅛	12⅞	12⅞	+⅛
SunMic s	31254	29	28⅝	28⅝	+⅛
Intel wt	29364	99⅞	96⅛	97⅝	+⅜
Oracle s	29021	44⅛	43⅛	44⅛	+⅛
Cisco s	28737	66⅛	65⅞	66⅝	+1⅜
Ascend	28447	63⅝	60⅞	63⅛	+⅜
CscoCm s	23674	59⅛	55⅝	56⅝	—3
Zitel s	22530	52⅛	47⅝	52⅛	+4 13/16
Novell	22448	9⅝	9⅝	9⅝	—⅛
AdNMR	20209	⅝	¼	⅝	+⅛

AMEX

	Vol.	High	Low	Last	Chg.
Hearx n	17604	2⅞	2⅛	2⅝	+⅛
SPDR	13304	75⅞	75⅛	75⅞	+1⅛
IvaxCp	9372	10⅝	10⅛	10⅛	—⅛
XCL Ltd	6373	⅜	⅜	⅜	—
EchoBay	5502	6⅞	6⅝	6⅞	+⅛
TWA	4302	7⅞	7⅝	7⅞	—⅛
ViacB	4118	36⅞	36	36⅞	+⅛
Han wtB	3929	⅛		⅛	—
Viac wtC	3906	⅝	⅝	⅝	—
RoyalO g	3441	3⅝	3⅛	3⅝	+⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1609	1309
Declined	854	940
Unchanged	852	961
Total issues	3315	3210
New Highs	161	97
New Lows	23	19

Nasdaq

	Close	Prev.
Advanced	1907	1786
Declined	1934	1734
Unchanged	1916	2243
Total issues	5757	5763
New Highs	141	93
New Lows	146	100

AMEX

	Close	Prev.
Advanced	275	254
Declined	253	217
Unchanged	197	209
Total issues	725	680
New Highs	29	13
New Lows	16	15

Market Sales

	Today close	Prev. cons.
NYSE	253.43	256.97
Amex	16.20	16.19
Nasdaq	339.91	336.87

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Empresa Elec	-	.76	1-2	1-27
Jundt USEmrgGr	-	1.9065	12-23	12-31
Scudder NewAsia	-	.27	12-31	1-14
Scudder NewEu	-	.06	12-31	1-14
STOCK SPLIT				
SouthernPac 3 for 2 split.				
TelecomLibMda A 3 for 2 split.				
REVERSE STOCK SPLIT				
JG Inds 1 for 3reverse.				
YEAREND				
Cohen&Steers	-	.15	12-31	1-17
EmergingMexico	-	.0965	12-31	1-17
Jundt Growth Fd	-	.0799	12-23	12-31
REGULAR				
ComuntyBkShs IN	Q	.085	12-31	1-15
Glacier Bcp	Q	.16	1-13	1-23
Glatfelter, PH,	Q	.175	1-10	2-1
HeritageProp	Q	.50	1-2	1-14
Hunt Mfg	Q	.095	1-2	1-14
Mercury Air Grp	Q	.0125	1-15	2-3

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s).
b - annual rate of dividend plus stock dividend.
c - liquidating dividend.
cc - PE exceeds 99.
cld - called.
d - new yearly low.
dd - loss in the last 12 months.
e - dividend declared or paid in preceding 12 months.
f - annual rate, increased on last declaration.
g - dividend in Canadian funds, subject to 15% non-residence tax.
i - dividend declared after split-up or stock dividend.
j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k - dividend declared or paid this year, an accumulative issue with dividends in arrears.
m - annual rate, reduced on last declaration.
n - new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd - next day delivery.
p - initial dividend, annual rate unknown.
P/E - price-earnings ratio.
q - closed-end mutual fund.
r - dividend declared or paid in preceding 12 months, plus stock dividend.
s - stock split. Dividend begins with date of split.
sls - sales.
t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u - new yearly high.
v - trading halted.
vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd - when distributed.
wi - when issued/
ww - with warrants.
x - ex-dividend or ex-rights.
xdis - ex-distribution.
xw - without warrants.
y- ex-dividend and sales in full.
yld - yield.
z - sales in full.

INTERNATIONAL FUTURES

Dec. 26, 1996

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	2.70½	2.65¾	2.67	+0.00¼	147,971
May 97	2.70½	2.66½	2.67½		53,255
Jul 97	2.70½	2.67	2.68¼	—0.00¼	53,585
Sep 97	2.65½	2.62¼	2.63	+0.00½	6,573
Dec 97	2.62¼	2.60	2.61¼		37,029
Est. sales N.A. Tue's. sales 17,739					
Tue's open int 301,488 up 343					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 97	233.70	230.30	230.90	—2.00	18,571
Mar 97	224.90	221.00	221.20	—2.90	30,856
May 97	218.90	215.20	215.30	—3.00	14,350
Jul 97	217.50	214.00	214.40	—2.80	10,959
Aug 97	215.50	213.00	213.30	—1.90	2,196
Sep 97	212.50	210.00	210.00	—1.60	1,985
Est. sales N.A. Tue's. sales 8,447					
Tue's open int 82,471 up 502					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 97	23.18	22.87	22.88	—0.16	14,900
Mar 97	23.60	23.25	23.30	—0.11	36,311
May 97	23.93	23.58	23.58	—0.14	13,827
Jul 97	24.17	23.88	23.89	—0.13	9,855
Aug 97	23.99	23.99	23.99	—0.08	2,041
Sep 97	24.15	24.10	24.10	—0.06	1,605
Est. sales N.A. Tue's. sales 10,427					
Tue's open int 80,438 off 2121					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	7.10	7.01	7.01¾	—0.05¼	28,193
Mar 97	7.06	6.96	6.96½	—0.06¼	54,974
May 97	7.01½	6.92	6.92¾	—0.06¼	26,616
Jul 97	7.01½	6.91	6.91½	—0.06¾	24,436
Aug 97	6.98½	6.90	6.90	—0.06	2,991
Est. sales N.A. Tue's. sales 22,758					
Tue's open int 148,835 off 2089					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	3.98½	3.92	3.94	+0.02¼	31,586
May 97	3.73½	3.68	3.69¼	+0.01	6,490
Jul 97	3.45¾	3.42	3.43¼	+0.01	19,633
Sep 97			3.46½	+0.01	997
Est. sales N.A. Tue's. sales 4,438					
Tue's open int 59,429 off 384					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 97	65.17	64.65	65.02	+0.07	33,992
Apr 97	65.67	65.25	65.57	+0.12	23,152
Jun 97	63.02	62.65	62.82	—0.10	9,969
Aug 97	62.72	62.45	62.65	+0.10	9,424
Oct 97	65.45	65.22	65.35	+0.03	5,928
Dec 97	67.00	66.80	66.85	+0.08	1,997
Est. sales 10,645 Tue's. sales 8,694					
Tue's open int 84,467 off 294					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 97	67.10	66.85	66.95	—0.12	3,423
Mar 97	67.45	66.95	67.22	—0.13	5,115
Apr 97	67.60	67.15	67.45	+0.15	2,004
May 97	68.00	67.50	67.97	+0.17	2,872
Aug 97	69.75	69.50	69.75	+0.30	1,937
Sep 97	69.50	69.25	69.50	+0.35	344
Est. sales 1,652 Tue's. sales 1,493					
Tue's open int 16,116 up 233					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Feb 97	76.90	75.95	76.75	+0.65	13,634
Apr 97	72.55	72.00	72.42	+0.37	5,368
Jun 97	75.30	74.60	75.12	+0.52	5,254
Jul 97	71.75	71.25	71.65	+0.35	1,354
Aug 97	67.85	67.35	67.47	—0.23	930
Oct 97	61.50	61.20	61.40	+0.10	797
Est. sales 4,866 Tue's. sales 2,158					
Tue's open int 27,995 off 67					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	78.30	77.47	77.95	—0.37	4,494
Mar 97	78.00	77.40	77.67	—0.23	866
May 97	78.15	77.90	78.00	—0.70	627
Jul 97	77.90	77.20	77.40	—0.77	497
Aug 97	74.15	73.05	73.05	—0.85	133
Est. sales 1,029 Tue's. sales 786					
Tue's open int 6,617 off 2					
Food					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jan 97	84.50	82.30	82.40	—0.58	6,683
Mar 97	88.70	85.75	85.85	—0.35	15,630
May 97	91.80	89.50	89.50		3,861
Jul 97	93.10	92.75	93.80	+0.25	892
Est. sales N.A. Tue's. sales					
Tue's open int 37,473 off 242					

	High	Low	Close	Chge	Opint
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Dec 96	370.20	369.70	369.90	+0.50	109
Jan 97			370.40	+0.50	
Feb 97	371.40	370.80	371.10	+0.50	89,815
Apr 97	373.60	372.90	373.30	+0.50	23,064
Jun 97	375.90	374.90	375.70	+0.50	16,748
Aug 97			378.10	+0.50	5,455
Oct 97			380.60	+0.50	2,351
Dec 97			383.10	+0.50	14,358
Est. sales 3,000 Tue's. sales					
Tue's open int 186,187 up 756					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Dec 96	103.45	101.50	102.10	+0.50	1,611
Jan 97	103.35	101.80	102.05	+0.45	5,412
Feb 97	101.75	100.00	100.90	+0.70	1,335
Mar 97	101.00	98.85	99.70	+0.85	20,833
Apr 97	98.40	98.40	98.50	+0.85	956
May 97	97.30	96.60	97.00	+0.75	4,341
Jun 97			96.35	+0.95	763
Jul 97	96.40	95.30	95.30	+0.75	3,505
Aug 97			94.55	+0.75	574
Est. sales 6,000 Tue's. sales					
Tue's open int 50,552 off 767					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Dec 96	487.0	483.0	487.9	+5.6	30
Jan 97			488.0	+5.6	11
Feb 97			490.3	+5.5	2
Mar 97	493.0	487.0	492.8	+5.5	54,312
May 97	498.0	492.0	497.4	+5.5	9,279
Jul 97	497.0	497.0	501.9	+5.5	8,321
Sep 97			506.5	+5.5	3,011
Dec 97	507.5	507.5	513.3	+5.5	4,740
Est. sales 5,000 Tue's. sales					
Tue's open int 81,991 up 34					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97	374.70	372.00	373.00	—1.40	5,927
Apr 97	376.50	374.50	375.10	—1.20	15,747
Jul 97	378.50	378.50	377.80	—1.20	2,026
Oct 97			380.50	—1.20	2,085
Jan 98			383.20	—1.20	1,025
Est. sales N.A. Tue's. sales 1,486					
Tue's open int 26,810 off 398					
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	94.97	94.96	94.96		3,912
Jun 97	94.86	94.86	94.86		2,324
Sep 97			94.74		29
Est. sales 52 Tue's. sales 65					
Tue's open int 6,265 off 37					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	106-31	106-285	106-29	— 005	147,062
Jun 97	106-21	106-20	106-20	— 005	2,498
Est. sales - 3,500 Tue's. sales 3,599					
Tue's open int 152,809 off 363					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 96			108-08	— 02	10,549
Mar 97	109-25	109-20	109-20	— 02	280,720
Jun 97	109-03	109-01	109-01	— 02	10,661
Est. sales 5,000 Tue's. sales 3,658					
Tue's open int 298,950 off 1624					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	113-20	113-09	113-11	— 02	429,876
Jun 97	113-02	112-27	112-27	— 02	15,419
Sep 97			112-12	— 02	5,116
Dec 97			111-30	— 02	3,757
Est. sales 40,000 Tue's. sales 16,197					
Tue's open int 462,212 off 1571					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	129.00	128.86	129.00	+0.10	122,143
Jun 97	127.62	127.60	127.70	+0.10	8,896
Sep 97	125.60	125.60	125.70	+0.10	0
Est. volume: 8,494. Open int.: 179,738 up 41,074.					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jan 97	94.490	94.480	94.490		22,121
Feb 97	94.470	94.460	94.470		4,283
Mar 97	94.460	94.440	94.450		410,803
Jun 97	94.320	94.310	94.310		338,720
Mar 00	93.420	93.410	93.410		38,774
Jun 00	93.360	93.350	93.350		35,822
Sep 00	93.320	93.310	93.310		31,036
Dec 00	93.240	93.230	93.230		25,318
Est. sales 53,274 Tue's. sales 36,499					
Tue's open int 2,053,857 off 6648					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6732	1.6670	1.6700	—6	25,700
Jun 97			1.6660	—6	2,167
Sep 97			1.6614	—6	1,027
Dec 97			1.6570	—6	7
Est. sales 1,916 Tue's. sales 1,223					
Tue's open int 28,901 off 113					

	High	Low	Close	Chge	Opint
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7377	.7371	.7376	+9	47,963
Jun 97	.7423	.7411	.7415	+10	11,090
Sep 97	.7460	.7455	.7449	+11	3,828
Dec 97	.7490	.7485	.7481	+12	382
Est. sales 2,528 Tue's. sales 1,489					
Tue's open int 63,184 up 149					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 96			.6432	+11	17
Mar 97	.6467	.6453	.6465	+11	47,796
Jun 97	.6494	.6483	.6504	+11	4,378
Sep 97			.6543	+11	1,693
Est. sales N.A. Tue's. sales 2,517					
Tue's open int 53,884 up 391					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 96			.009148	—38	7
Mar 97	.008810	.008797	.008803	—38	53,130
Jun 97	.008920	.008916	.008917	—38	1,424
Est. sales 5,348 Tue's. sales 3,347					
Tue's open int 54,646 up 616					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.7507	.7486	.7493	+9	44,262
Jun 97	.7560	.7535	.7561	+12	1,399
Sep 97			.7629	+12	1,800
Est. sales 2,937 Tue's. sales 5,060					
Tue's open int 47,461 up 931					
3-MONTH PIBOR (MATIF) FF5million - pts of 100 pct					
Mar 97	96.69	96.67	96.68	+0.00	68,342
Jun 97	96.68	96.65	96.66	+0.00	35,057
Sep 97	96.61	96.59	96.61	+0.01	27,064
Dec 97	96.53	96.51	96.53	+0.01	19,390
Mar 98	96.38	96.37	96.38	+0.00	14,900
Jun 98	0.00	0.00	96.18	+0.00	12,223
Sep 98	95.90	95.90	95.90	— 0.01	11,222
Dec 98	95.62	95.62	95.62	+0.00	8,313
Mar 99	N.T.	N.T.	95.32	+0.00	11,154
Jun 99	N.T.	N.T.	95.03	+0.00	5,824
Sep 99	N.T.	N.T.	94.75	— 0.02	2,255
Dec 99	N.T.	N.T.	94.52	+0.00	545
Est. volume: 1,033. Open int.: 216,284 down 248.					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	75.85	75.50	75.53	—0.18	23,488
May 97	77.15	76.65	76.74	—0.27	12,281
Jul 97	77.95	77.45	77.70	—0.15	7,778
Oct 97	77.30	77.00	77.30	—0.20	1,347
Dec 97	77.20	76.90	76.95	—0.20	9,750
Mar 98			77.75	—0.30	485
Est. sales N.A. Tue's. sales					
Tue's open int 55,412 off 124					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Jan 97	71.40	69.50	70.00	—1.40	39,639
Feb 97	70.50	69.00	69.60	—1.05	33,728
Mar 97	68.20	67.00	67.50	—0.75	13,384
Apr 97	64.65	63.95	64.35	—0.25	8,802
May 97	61.45	61.35	61.45	—0.05	4,178
Jun 97	59.50	58.60	59.50	+0.05	3,045
Jul 97	58.45	58.00	58.45	—0.15	3,164
Dec 97	59.60	59.50	59.60	—0.15	3,739
Est. sales N.A. Tue's. sales 12,428					
Tue's open int 103,823 off 431					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Feb 97	25.20	24.81	24.92	—0.18	101,298
Mar 97	24.53	24.10	24.27	—0.19	37,012
Apr 97	23.83	23.40	23.62	—0.19	22,905
May 97	23.15	23.10	23.00	—0.19	17,514
Jun 97	22.65	22.50	22.41	—0.21	27,515
Jul 97	21.98	21.98	21.90	—0.22	14,611
Aug 97	21.62	21.62	21.45	—0.24	13,206
Sep 97			21.03	—0.26	12,877

	High	Low	Close	Chge	Opint
Oct 97			20.64	—0.26	8,587
Nov 97			20.32	—0.26	8,355
Dec 97	20.29	20.20	20.06	—0.26	24,337
Jun 98			19.85	—0.29	7,988
Feb 98			19.66	—0.30	5,047
Est. sales N.A. Tue's. sales 17,554					
Tue's open int 352,830 up 1309					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 97	3.595	3.300	3.370	—325	35,952
Mar 97	3.130	2.930	2.990	—258	18,354
Apr 97	2.600	2.485	2.485	—150	11,532
May 97	2.330	2.270	2.290	—105	8,067
Jun 97	2.250	2.180	2.200	—95	7,758
Jul 97	2.240	2.150	2.180	—100	7,212
Aug 97	2.235	2.140	2.170	—100	6,470
Sep 97	2.230	2.130	2.170	—90	6,015
Oct 97	2.220	2.130	2.165	—100	6,386
Nov 97	2.300	2.240	2.260	—80	3,660
Dec 97	2.370	2.340	2.330	—85	6,311
Est. sales N.A. Tue's. sales 55,599					
Tue's open int 150,857 off 8865					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Jan 97	69.70	68.85	69.51	—0.05	14,160
Feb 97	69.25	68.40	69.08	+0.15	26,384
Mar 97	68.70	68.10	68.68	+0.10	11,894
Apr 97	70.10	69.40	70.18	+0.03	5,096
May 97			69.53	—0.02	3,300
Jun 97			68.28	—0.02	3,382
Est. sales N.A. Tue's. sales 7,863					
Tue's open int 66,615 off 287					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	764.30	759.60	760.90	+1.85	182,364
Jun 97	770.80	766.30	767.70	+2.20	5,437
Sep 97	777.85	773.00	775.30	+3.25	1,442
Dec 97	784.50	780.80	784.00		250
Est. sales N.A. Tue's. sales 13,569					
Tue's open int 189,483 up 631					
CAC 40 (MATIF) FF200 per index point					
Dec 96	2312.0	2288.0	2304.0	+17.00	20,325
Jan 97	2314.5	2292.5	2308.5	+17.00	11,129
Feb 97	2319.0	2302.0	2313.0	+17.00	2,466
Mar 97	2325.0	2303.5	2319.0	+17.00	13,554
Jun 97	N.T.	N.T.	2288.0	+17.00	365
Sep 97	N.T.	N.T.	2291.5	+17.00	6,326
Mar 98	N.T.	N.T.	2327.0	+17.00	4,668
Sep 98	N.T.	N.T.	2303.5	+17.00	660
Est. volume: 13,358. Open int.: 59,493 up 1,099.					

Commodity Indexes

	Close	Previous
Moody's	N.A.	N.A.
Reuters	1,874.20	1,871.80
D.J. Futures	147.18	146.59
CRB	241.95	243.80

Spot Commodities

	Today	Prev.
Aluminum, lb	.691	0.684
Copper electrolytic, lb	1.06	1.07
Iron FOB, ton	167.00	167.00
Lead, lb	0.50	0.50
Silver, troy oz	4.83	4.82
Steel (scrap), ton	109.17	109.17
Tin, lb	3.8949	3.8954
Zinc, lb	0.5311	0.5261

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

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GAN Hires U.S. Bank To Study Asset Sales

Compiled by Our Staff From Dispatches

PARIS — Groupe des Assurances Nationales, an unprofitable state-owned insurer, said Thursday it had hired Bankers Trust New York Corp. to study the possible sale of various property assets that had been transferred to two special units called Parixel and Baticredit.

"There is a possibility that some of the real-estate assets currently contained in Parixel and Baticredit — our defeasance structures — will be sold," a spokesman for GAN said. The spokesman said the sale would depend in part on whether GAN received government aid it had requested. The spokesman declined to confirm a report published Thursday that the government had made the sale of GAN a top priority.

GAN still has 16.5 billion French francs ($3.1 million) of distressed property assets and loans that it took over from its property-financing unit UIC and later transferred to Parixel and Baticredit and that have been a major source of loss for the insurer.

In the first half of this year, real-estate charges contributed heavily to the company's net loss of 965 million francs. Of its total real-estate losses of 1.79 billion francs — nearly twice as much as GAN earned from its core businesses of insurance and banking, 988 million francs came from the two special structures, and the other 799 million francs came from UIC. The French government hopes to sell GAN but would probably have to provide a major cash injection to pull the insurer out of the red. *(Bloomberg, AFX)*

SFP to Get Cash Before Sale

The government intends to privatize Societe Francaise de Production by mid-May after giving it a cash injection of 1.2 billion francs, Philippe Douste-Blazy, France's culture minister, said, according to an Agence France-Presse report.

With the new dose of cash, the audiovisual production house will have cost French taxpayers 3.4 billion francs since 1990, the minister said. The government said Tuesday it favored a joint offer from the French companies Havas SA and Cie. Generale des Eaux to acquire the company.

Europe's Bulls Brace for Another Run

Stock Strategists See Markets Setting Records Again in 1997

Bloomberg Business News

LONDON — European equity markets, which rose to record highs in 1996, are likely to continue rising in the new year, fueled by expectations of corporate growth, acquisitions and falling interest rates, fund managers and investment strategists say.

Nine of Europe's 10 biggest benchmark stock indexes reached highs for the year in December, and the fund managers and strategists predict they will be taken still higher by improved economic growth that will lift industries such as steel and construction, which depend on a robust economy.

U.S. securities, which also are expected to continue rising, and consolidation in the drug and defense industries are expected to provide an extra boost.

"Lower-than-expected interest rates and our forecast of strong growth through 1997 and 1998 make us positive about European equity markets for 1997," said Caroline Meroz, an equity strategist at J.P. Morgan Securities Ltd.

"We forecast that short-term interest rates will continue to fall across Europe in the early part of 1997 and remain stable, probably until the end of the year," said Ms. Meroz, who forecast gains in the markets of 10 percent to 20 percent.

Falling interest rates help companies by reducing interest charges and by encouraging customers to borrow and spend. Economic growth will entice investors into so-called cyclical stocks, which are sensitive to movements in the economy, she said.

Her buy recommendations include the French insurer Assurances Generales de France, the German chemical maker BASF AG, Norsk Hydro A/S, which is Norway's largest industrial company, and Telefonica de Espana SA, a Spanish phone company.

Cyclical stocks are also expected to get a lift in countries such as Austria, where the biggest companies include the steelmakers VA Stahl AG and Boehler-Uddeholm AG — but not before a fall, said Rupert Carnegie, head of research at Henderson Investment Management.

Still, although he is less optimistic in the short term, Mr. Carnegie also sees the value in stocks linked to the economy.

"You'll see a switch into cyclical stocks," Mr. Carnegie said, but "we expect an equity shakeout in the next three months. After that it'll be a buying opportunity."

He forecast a slump of 5 percent to 7 percent in European equity prices in the next three months.

With interest rates falling except in Britain, the main cause for concern in Europe is how many countries will meet the criteria for entry into the European economic and monetary union and what they will have to do to qualify. The decision on which countries will qualify will be made in 1998 and be based on economic data for 1997.

But even though they are expected to rise, European stock markets may not perform as well as other markets, according to a report by Douglas Johnson, senior international investment strategist at Merrill Lynch. Countries trying to meet the monetary-union criteria may introduce measures that hurt companies, he said, such as cuts in public spending and higher taxes.

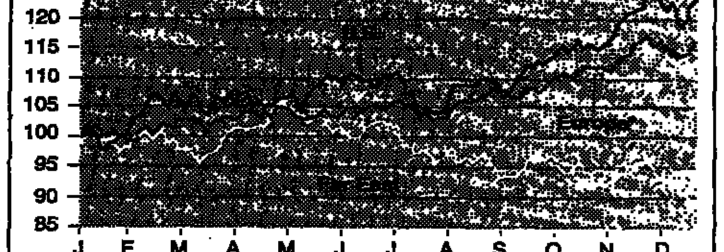
"The clear risk to markets in 1997 is potential turmoil as we progress toward EMU," or European monetary union, Ms. Meroz of J.P. Morgan said. "The periphery countries that hope to qualify for membership are likely to be particularly at risk if progress towards EMU was to stutter."

For 1997, British markets are widely seen as the best bet. With prospects for strong economic and corporate growth and an expected change in government, strategists expect Britain to outperform other major European markets.

Europe's drugmakers are also expected to see merger activity to follow the merger of Switzerland's Ciba-Geigy AG and Sandoz AG to form Novartis AG. Zeneca Group PLC's shares, for example, have risen 30 percent because of takeover speculation. Switzerland's Roche Holding AG is viewed as the British drugmaker's most likely suitor.

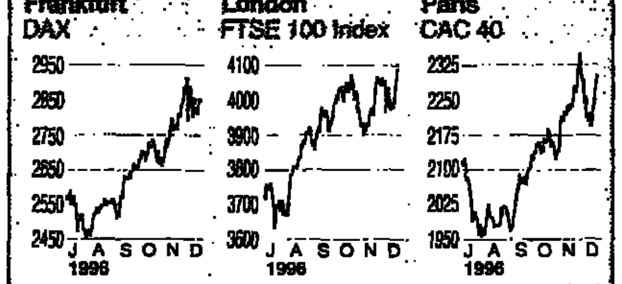
Equity Markets in 1996

Morgan Stanley Capital International developed market equity indexes in U.S. dollars. (Dec. 29, 1995=$100)



Source: Bloomberg IHT

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	EOE	Closed	633.95	-
Brussels	BEL-20	Closed	1,876.36	-
Frankfurt	DAX	Closed	2,845.57	-
Copenhagen	Stock Market	Closed	466.23	-
Helsinki	HEX General	Closed	2,461.75	-
Oslo	OBX	Closed	518.69	-
London	FTSE 100	Closed	4,092.50	-
Madrid	Stock Exchange	440.06	431.01	+2.10
Milan	MIBTEL	Closed	10,487.00	-
Paris	CAC 40	2,303.75	2,289.55	+0.62
Stockholm	SX 16	Closed	2,358.30	-
Vienna	ATX	Closed	1,123.74	-
Zurich	SPI	Closed	2,472.69	-

Source: Telekurs International Herald Tribune

Very briefly:

- **Elf Atochem**, the chemicals unit of **Elf Aquitaine SA**, will buy the European adhesives and sealants activities of **Laporte PLC**, a British specialty-chemicals concern. The price was not disclosed.
- **Cie. Financiere de Paribas** plans to increase its industrial holdings in Spain and plans a new operation there valued at about 200 million French francs ($38.2 million), the financial daily l'Expansion reported. Paribas already has investments in Spain valued at about 360 million francs, including a 58.2 percent stake in Cepa, a pharmaceutical company, and a 29.2 percent stake in Sos Arana, a food company.
- **Kazakstan** will sell its oil company, Mangistaumunaigaz, which accounts for about 30 percent of the country's oil production, as part of its privatization plans, Prime Minister Akezhan Kazhegeldin said. The prime minister said six foreign companies were competing in the tender. He declined to identify the companies. *Reuters, AFX*

French and Spanish TV to Share Soccer Rights

Bloomberg Business News

MADRID — Antena 3, Spain's leading commercial-television broadcaster, and the satellite broadcaster Sogecable, an affiliate of Canal Plus SA of France, announced plans Thursday to divide rights to major Spanish soccer games.

Along with the regional station Televisio de Catalunya, which also signed the accord, the broadcasters expressed hope that the pact would lead to a joint platform for digital satellite television that would be open "to all operators interested in it."

News of the alliance could be a further blow to the expansion plans of state-controlled Telefonica SA, whose cable-TV project recently ran aground. Telefonica last month listed Antena 3 among seven broadcasters that were to join it in a venture to offer digital television to Spanish viewers.

Under the soccer accord, Antena 3 and Televisio de Catalunya will be able to show weekly league matches, while Sogecable has the right to transmit coded broadcasts of Sunday games. Antena 3 will broadcast 20 Cup matches uncoded, with other matches available only to viewers who pay to watch.

Antena 3 said, "In this way, the interests of fans, football clubs and the TV broadcasters that own the rights will be protected."

The announcement illustrates the shifting of alliances as companies jostle to enter the new market for digital television, which will make it possible for viewers to receive hundreds of channels via satellite as well as pay-per-view and interactive programming.

When Telefonica announced its agreement with the state-owned RTE and six other broadcasters, including Antena 3, to offer digital television services, it estimated that the project would require an investment of 29 billion pesetas ($222 million) in the next decade.

Sogecable, a joint venture between Canal Plus and the Spanish media concern Prisa, announced the latest step Monday in its plans to start transmitting digital-TV signals when it said Sony Espana had agreed to supply the decoder necessary to unscramble the signals. The terminal will give access to pay-per-view movies, video games and home shopping. CanalSatellite Digital has begun testing its digital-television programming and plans to start commercial broadcasts in January.

Telefonica shares closed at 3,030 pesetas, up 40. In Paris, Canal Plus shares rose 5 francs to close at 1,146 ($218.75).

Unemployment Declines

Spanish employment growth is outpacing economic growth, the Economy Ministry said as the latest survey by the National Statistics Institute showed Spain's unemployment rate falling from 21.92 in August to 21.80 percent in September, Reuters reported. The Economy Ministry, using numbers from the National Employment Institute, reported a 13.82 percent jobless rate.

Turk Telekom Hires Adviser

Reuters

ANKARA — Turkey has appointed a consortium headed by Goldman, Sachs & Co. to advise it on the stalled sale of Turk Telekom, the linchpin of the government's privatization program, State Minister Ufuk Soylemez said.

"The consortium has been chosen in accordance with the Telekom law and World Bank standards," Mr. Soylemez said at a news conference. "Advisory services will be supplied by the consortium led by Goldman Sachs."

He said he hoped that 10 percent to 15 percent of Telekom would be ready to be sold within three months after Goldman Sachs completed its advisory services and the sale strategy had been worked out.

The government hopes to raise $3.5 billion from the sale, previously hindered by constitutional challenges. In August, Parliament amended a privatization bill that will ease the sale, but it was again challenged by the opposition.

GIFTS: *In Most Countries, Retailers Are Unwilling to Give Refunds on Christmas Presents*

Continued from Page 1

most people take the entire week off.

Die Zeil, the downtown shopping district in Frankfurt, is typically mobbed as soon as stores reopen Dec. 27.

But the American art of cashing in unwanted Christmas presents — and then buying even more merchandise — has yet to catch on. Most stores do let people exchange products after Christmas, but only the large department stores, and only some of those will give people their money back.

That is enough in itself to put a damper on any rush after Christmas. But German retailers are only beginning to adopt the practice of rapid-fire discounting to move slow-selling wares off the shelves.

— *EDMUND L. ANDREWS*

Russia's Best-Kept Secret

Russian saleswomen can be hard-hearted. They can make buying so difficult that most shoppers would rather suffer quietly at home than revisit the scene of the trauma to wrestle for a refund.

"I wouldn't exactly say they're scared," Aleksander Kharchenko, a lawyer for a Moscow consumer rights group, said of his clients. "They just don't know their rights."

Russian stores do take returns, but that may be one of the country's best-kept secrets. The catch is that a receipt is usually required, and that is often an elusive bit of coarse paper whose only identifying marks are a spray of seemingly meaningless numbers. But there are a few merchants who will forgo proof of purchase if the item is obviously from their store and even some who will give cash back.

"In Russia, we have a saying," said Olga Kammnikova, a gentle shopper who said she has never disliked a present given her: "Don't look a gift horse in the teeth." On hearing that Americans quote a similar proverb, she offered, "Well, I guess Americans look."

Meanwhile, Russia's savviest buyers, the young and rich, are defying another Russian saying: "You can't make a present of a present."

"We give stuff we don't want to our friends for their next birthday or New Year's," said Irina, 18, a student who would only give her first name. "But return it? That could never happen here. This is Russia."

— *SARAH KOENIG*

Brazilians Don't Bother

Just hope it fits. Or that something like it will.

There is no tradition or practice, at big stores or small, of granting refunds in Brazil for any cause. One pant leg longer than the other? Color unbearable? The best you can expect is a store credit, or possibly an exchange on the spot.

Brazil enacted a consumer-rights code in 1990, but none of its 119 articles mentions a right to a refund, even if the item is defective. Cassia Almeida, the consumer columnist at the daily O Globo, said that Dec. 26 was not normally a particularly busy day at exchange counters.

Legally, she said, stores are required only to exchange items that are damaged. Good stores offer an even exchange on items that are not defective or, more rarely, give a store credit that can be used within a limited period, usually a month or so.

But there are signs that these customs may be changing. Wal-Mart Stories Inc., which opened two stores in the Sao Paulo area last year, brought along U.S. customer-service standards. Though the store requires customers to produce a receipt, it will give refunds — no questions asked.

— *DIANA JEAN SCHEMO*

No Cash Returns in Japan

Japanese department stores are renowned for their service. Young saleswomen line up at the doors when the stores open to bow to customers as they walk in. Every item is wrapped with the attention to detail found in Japanese tea ceremonies and flower-arranging.

But the stores do not always accept returns. In any event, retailers insist such requests are rare because it is considered an offense to the giver in Japan not to accept a gift.

Dec. 25 is a regular working day in this country, where the predominant religions are Buddhism and Shintoism, but Christmas is celebrated in a secular, commercialized fashion.

Another year-end gift-giving custom in Japan is known as *seibo*, in which one gives obligatory presents to business associates, bosses, teachers and the like. Some department stores devote an entire floor to seibo gifts, which are mainly canned or fresh foods and beverages.

Mitsukoshi and Takashimaya, two of Japan's fanciest department stores, said returned merchandise could be exchanged for other goods or for a certificate to be used at the store. Neither one gives back cash, although Ito-yokado, a less expensive department store and grocery, will do so on occasion.

— *ANDREW POLLACK*

Returns? A Faux Pas for French

The French may be fickle with other things, but not with Christmas gifts. "Returns? Whatever are you talking about!" is the overwhelming response from Paris retailers to the question of how they handle the crush of Christmas returns.

A spokesman for the Magasins Tati discount clothing stores said the store expected no more than the usual 100 returns a day after Christmas.

But the main Au Printemps department store on the Boulevard Haussmann opened a special counter for toy returns Thursday for two weeks. Au Printemps requires only a receipt and offers a refund if a customer wants money back instead of an exchange.

The refund policy at Au Printemps is liberal by French standards, although retailers here do not share the general European aversion to allowing customers to exchange merchandise.

— *CRAIG R. WHITNEY*

JOBS: *Data Leave Prognosticators in Dark*

Continued from Page 11

Bureau of Labor Statistics, agreed with Mr. Valletta's analysis. He said, however, that many people who lose jobs may fail to show up in the monthly unemployment figures.

For instance, a dismissed older worker may be pressed to take an early retirement, and technically not be counted as either unemployed or as having lost a job. An employee who loses a job but quickly finds another also would not be counted.

"I just don't remember this degree of churning in the labor market 20 years ago," Mr. Rones said.

The reason forecasters and policymakers urgently need to know how the relationship among low unemployment, wages and inflation has changed is so they can gain some sense of whether the change is permanent. This is particularly critical for those at the Fed.

According to the minutes of a November policy-making session released last week, several Fed officials expressed concern that inflation may worsen slightly in 1997.

Some members of the committee "suggested in this regard that restrained increases in labor compensation in comparison with historical experience probably were a transitory phenomenon, though one could not predict when a more normal relationship would reemerge," the minutes said.

In other words, some officials think that sooner or later, worries about job security will fade, wages will rise faster if inflation remains so low, and inflation will increase if no action is taken to forestall it.

Whatever their concerns last month, or at a subsequent meeting this month, Fed policymakers did not choose to raise interest rates.

"While the members expressed varying degrees of concern that tight labor markets and attendant increases in wages might at some point lead to rising price inflation, they agreed that there was little or no evidence of such a development at this point and the outlook was far from certain," according to the minutes.

Manufacturers Look Abroad

Faced with a prospect of slower U.S. growth in 1997, manufacturers are counting on exports to keep unsold goods from piling up in the new year, Bloomberg Business News reported.

With the economy shifting into lower gear, manufacturers expect to see slower demand in the United States. At the same time, however, they expect to export more goods, from housewares to aircraft, as economies overseas recover from the lull this year.

"Outside the U.S., the Tupperware business should do well," said Warren Batts, chairman of Orlando, Florida-based Tupperware Corp., which makes household food-storage containers.

Corporate purchasing managers predict their exports will grow more rapidly than their imports next year, the National Association of Purchasing Management said this month.

WORLD STOCK MARKETS

Thursday, Dec. 26

Prices in local currencies.
Telekurs

Markets Closed

Many stock markets were closed Thursday for the Christmas holiday.

Bangkok — SET index: 826.48 Previous: 841.42

	High	Low	Close	Prev.
Adv Info Svc	244	230	230	242
Bangkok Bk F	260	258	258	262
Krung Thai Bk	54	49.75	50	53.50
PTT Explor	364	362	362	368
Siam Cement F	796	784	792	780
Siam Com Bk F	202	184	187	186
Telecomasia	54	52	53	53
Thai Airways	37.25	35.75	36.25	36.75
Thai Farm Bk F	168	158	158	168
Utd Comm	181	169	170	178

Jakarta — Composite index: 632.50 Previous: 632.74

	High	Low	Close	Prev.
Astra Intl	5350	5300	5350	5325
Bk Negara	1300	1275	1275	1300
Gudang Garm	10250	10200	10200	10250
Indocement	3600	3550	3600	3550
Indofood	4650	4600	4650	4700
Indosat	6500	6450	6500	6500
Telekomunikasi	4100	4050	4100	4100

Kuala Lumpur — Composite: 1207.68 Previous: 1209.22

	High	Low	Close	Prev.
Genting	17.20	17.10	17.20	17.10
Mal Banking	26.75	26.25	26.50	26.50
Mal Intl Ship F	7.30	7.30	7.30	7.25
Petronas Gas	10	10	10	10
Renong	4.50	4.38	4.44	4.50
Resorts World	11.70	11.50	11.50	11.60
Sime Darby	10.10	9.95	10.10	10.10
Telekom Mal	22.50	22.20	22.50	22.50
Tenaga	11.70	11.40	11.60	11.70
Utd Engineers	21.90	21.70	21.90	21.80

Manila — PSE index: 3165.52 Previous: 3152.53

	High	Low	Close	Prev.
Ayala B	28.50	28	28	29
Ayala Land	29.50	29.50	29.50	29
Bk Philip Isl	163	161	161	161
C&P Homes	13.75	13.50	13.75	13.75
Manila Elec A	127	124	126	123
Metro Bank	630	610	630	620
Petron	8.90	8.80	8.90	8.90
PCI Bank	345	340	345	350
Phil Long Dist	1430	1415	1425	1400
San Miguel B	120	118	120	119
SM Prime Hdg	6.80	6.70	6.80	6.70

Madrid — Bolsa index: 440.06 Previous: 431.01

	High	Low	Close	Prev.
Acerinox	19200	18000	19000	17860
ACESA	1850	1745	1845	1745
Aguas Barcelon	5190	5150	5160	5140
Argentaria	5740	5660	5730	5710
BBV	6990	6780	6970	6790
Banesto	986	968	984	953
Bankinter	20350	19740	20150	19690
Bco Central Hisp	3215	3170	3205	3215
Bco Exterior	2800	2750	2750	2775
Bco Popular	25660	25100	25500	25100
Bco Santander	8250	8080	8140	8000
CEPSA	3950	3875	3945	3895
Continente	2630	2570	2630	2590
Corp Mapfre	7690	7360	7690	7250
Endesa	9050	8910	9030	8930
FECSA	1265	1195	1265	1285
Gas Natural	30650	29220	29900	29600
Iberdrola	1870	1785	1845	1780
Pryca	2710	2640	2695	2710
Repsol	5030	4920	5020	4925
Sevillana Elec	1385	1295	1365	1310
Tabacalera	5610	5460	5600	5440
Telefonica	3035	2980	3030	2990
Union Fenosa	1240	1160	1240	1155
Valenc Cement	1400	1380	1400	1400

Mexico — Bolsa index: 3310.89 Previous: 3298.47

	High	Low	Close	Prev.
Alfa A	35.85	35.70	35.85	35.70
Banacci B	16.02	16.00	16.00	16.02
Cemex CPO	28.10	27.90	28.10	27.90
Cifra C	9.70	9.56	9.70	9.70
Emp Modernas	38.20	38.00	38.00	38.00
Gpo Carso A1	41.00	40.20	41.00	41.00
GpoFin Inbursa	26.90	26.70	26.70	26.90
Kimb Clark Mex	153.90	152.10	153.90	152.00
Televisa CPO	101.00	100.40	101.00	100.50
TelMex L	12.72	12.54	12.72	12.56

São Paulo — Bovespa index: 69577.66 Previous: 69125.80

	High	Low	Close	Prev.
Bco Brasil Pfd	8.99	8.85	8.99	9.00
Banespa Pfd	5.10	4.85	4.97	5.00
Bradesco Pfd	7.59	7.50	7.55	7.55
Brahma Pfd	565.00	560.00	560.00	565.50
Cemig Pfd	34.80	33.60	34.80	34.70
CESP Pfd	39.10	38.50	39.10	38.30
Eletrobras B	375.00	370.00	374.00	371.00
Itaubanco Pfd	440.00	428.00	440.00	428.00
Light	350.00	348.00	349.31	351.00
Paranapan Pfd	11.19	10.70	11.19	10.70
Petrobras Pfd	163.50	157.00	163.50	159.00
Sid Nacional	28.75	28.60	28.65	28.75
Souza Cruz	6.86	6.75	6.82	6.70
Telebras Pfd	79.50	78.25	79.20	79.00
Telesp Pfd	224.00	222.00	223.00	223.50
Usiminas Pfd	1.07	1.05	1.07	1.06
CVRD Pfd	20.40	20.20	20.40	20.35

Seoul — Composite index: 659.81 Previous: 677.76

	High	Low	Close	Prev.
Daewoo Heavy	5390	5200	5200	5390
Hyundai Eng	20100	19500	19800	20000
Hyundai Motor	21300	20000	20000	21300
Korea El Pwr	25400	24700	25000	25100
Korea Mob Tel	463000	450000	455000	463000
LG Electronics	11200	10700	10800	11200
Pohang Iron St	39600	38000	39600	39600
Samsung Elec	46300	44500	44700	46000
Samsung Hvy	9000	8650	8700	8900
Yukong	16900	16300	16600	16600

Paris — CAC-40: 2303.75 Previous: 2289.55

	High	Low	Close	Prev.
Accor	628	621	623	623
AGF	161.30	160	160	160
Air Liquide	828	815	827	814
Alcatel Alsth	419.80	415.50	417.40	417.90
Axa	332.80	328.30	330	328.50
Bancaire	618	606	610	609
BNP	201.50	200.10	200.80	200
Bouygues	529	524	527	526
Canal Plus	1158	1142	1146	1141
Carrefour	3377	3308	3376	3331
CCF	246.70	243	244.80	243.80
Credit Local d	447	441.10	444.80	443.80
Credit Lyon PC	130	128	130	128
Crown Cork Seal	278	270.40	278	271
Danone	726	720	724	722
Elf-Aquitaine	474	471.60	473.60	474
Eridania BS	848	815	831	823
Euro Disney	10.30	10.10	10.15	9.90
Eurotunnel uts	7	6.80	6.95	6.80
Gen. Eaux	638	632	633	632
Havas	366.40	359.20	365.40	362.50
Lafarge Cop	317.80	313.10	315.70	314.90
Legrand	898	881	886	888
L'Oreal	1935	1896	1923	1910
LVMH	1397	1370	1395	1378
Lyon. Eaux	464.50	461.40	463	463
Michelin B	277.50	269.10	274.50	270.50
Navig Mixte	776	775	776	773
Paribas A	347	342.80	344	342.10
Pechiney SA	209	206.50	206.50	206.90
Pernod Ricard	284	280	284	283
Peugeot Cit	596	587	593	604
Pinault-Print	2078	2032	2052	2050
Promodes	1459	1444	1450	1438
Renault	115.60	111.40	112	112
Rh-Poulenc A	182	179.10	179.60	180.30
Roussel-Uclaf	1528	1527	1527	1526
Sanofi	518	510	514	509
Schneider	235.80	232.20	234	232.30
Ste Generale	562	556	561	557
St Gobain	742	727	741	726
St Louis	1246	1221	1241	1229
Suez	220.80	216	219.60	216.80
Thomson CSF	170.50	169	170.50	168.50
Total B	426	415.70	424	418.90
UAP	131.50	129.50	131.50	130.80
Valeo	322	318.30	321	321

Singapore — Straits Times: 2197.49 Previous: 2187.14

	High	Low	Close	Prev.
Cerebos Pac	10.80	10.70	10.70	10.70
City Devits	12.10	11.90	11.90	12.10
Cycle Carriage	16.90	16.70	16.90	16.70
Dairy Farm Int*	0.83	0.80	0.82	0.80
DBS	8.95	8.90	8.95	8.95
DBS Land	5.05	5	5.05	5.15
Fraser & Neave	14.20	14.10	14.20	14
HK Land*	2.79	2.76	2.79	2.77
Hong Leong Fin	3.26	3.26	3.26	3.28
Jard Matheson*	6.60	6.55	6.55	6.55
Jard Strategic*	3.74	3.70	3.74	3.70
Keppel	10.90	10.70	10.80	10.70
Natsteel	3.14	3.12	3.14	3.12
Neptune Orient	1.28	1.19	1.19	1.19
OCBC foreign	17	17	17	16.90
O'Sea Union Bk	N.T.	N.T.	N.T.	6.30
Sembawang	7.40	7.30	7.30	7.30
Sing Airlines F	12.70	12.60	12.70	12.70
Sing Petro	1.73	1.73	1.73	1.73
Sing Press F	26.60	26.40	26.40	26.50
ST Auto F	N.T.	N.T.	N.T.	3.10
ST Ship	1.90	1.90	1.90	1.90
Sing Telecomm	3.24	3.18	3.22	3.18
Straits Steam	4.42	4.38	4.40	4.42
Utd Industrial	1.19	1.17	1.19	1.17
Utd O'Sea Bk F	15.50	15.40	15.50	15.50
Wing Tai Hdgs	3.94	3.90	3.90	3.94

*: In U.S. dollars.

Taipei — Stock Market index: 6889.83 Previous: 6935.72

	High	Low	Close	Prev.
Asia Cement	50.50	50	50	50.50
Cathay Life Ins	176	174	174	175
Chang Hwa Bk	159	156	156	157
China Steel	25.90	25.60	25.60	25.70
China Trust	53	52	52	52.50
Evergreen	55	53.50	53.50	54.50
Far East Text	28.50	28	28	28.50
First Bank	169	166	166	168
Formosa CF	42.90	42.20	42.20	42.60
Hua Nan Bk	132.50	130	130	131.50
Hualon Teijran	25.80	25.10	25.20	25.40
ICBC	85.50	84	84	85
President Ent	42.90	42.30	42.30	42.40
Taiwan Cem	61	60	60	60.50
Tatung	54.50	54	54	54.50

Tokyo — Nikkei 225: 19291.58 Previous: 19549.41

	High	Low	Close	Prev.
Ajinomoto	1210	1140	1180	1240
All Nippon Air	884	868	877	884
Asahi Bank	1010	983	1000	1020
Asahi Chem	653	642	653	645
Asahi Glass	1090	1060	1080	1090
Bk Tokyo Mitsu	2140	2090	2120	2150
Bk Yokohama	731	710	724	721
Bridgestone	2210	2140	2180	2190
Canon	2580	2440	2490	2460
Chiba Bank	790	765	785	782
Chubu Elec	2320	2290	2310	2310
Chugoku Elec	2290	2270	2280	2280
Daiei	900	878	900	905
Daiichi Kang	1700	1640	1670	1700
Daiwa Bank	612	595	603	608
Daiwa House	1470	1430	1470	1470
Daiwa Sec	1050	1020	1040	1040
Denso	2780	2670	2780	2770
Fanuc	3540	3470	3530	3500
Fuji Bank	1710	1640	1660	1690
Fuji Photo	3740	3630	3740	3710
Fujitsu	1070	1040	1070	1060
Hitachi	1050	1030	1050	1040
Honda Motor	3350	3280	3340	3320
IBJ	2010	1960	1990	2020
IHI	509	492	495	509
Itochu	625	590	610	621
Ito-Yokado	5100	5000	5050	5080
JAL	624	605	620	623
Jusco	3860	3790	3830	3860
Kajima	800	781	798	810
Kansai Elec	2370	2330	2360	2350
Kao	1330	1310	1330	1330
Kawa Steel	322	315	322	320
KDD	7730	7600	7690	7730
Kinki Nipp Ry	726	718	723	717
Kirin Brewery	1160	1130	1160	1150
Kobe Steel	237	228	232	234
Komatsu	916	907	908	916
Kubota	544	525	544	543
Kyocera	7150	7020	7140	7080
Kyushu Elec	2280	2250	2260	2280
LTCB	658	626	636	658
Marubeni	490	473	489	490
Marui	2090	2020	2080	2090
Matsu Elec Ind	1850	1810	1840	1850
Matsu Elec Wk	1010	1000	1010	1020
Mitsubishi	1160	1130	1160	1170
Mitsubishi Ch	370	358	364	367
Mitsubishi El	680	661	673	681
Mitsubishi Est	1240	1200	1220	1230
Mitsubishi Hvy	924	914	924	920
Mitsubishi Mat	845	835	841	845
Mitsubishi Tr	1630	1570	1610	1620
Mitsui	930	910	928	920
Mitsui Fudosn	1130	1090	1120	1130
Mitsui Trust	888	852	866	888
Murata Mfg	3910	3840	3880	3870
NEC	1360	1340	1360	1370
Nikko Sec	899	860	889	896
Nintendo	8340	8310	8300	8200
Nipp Credit Bk	305	300	304	305
Nipp Express	790	770	788	783
Nippon Oil	590	572	586	580
Nippon Paper	555	540	552	570
Nippon Steel	339	332	339	335
Nippon Yusen	517	511	517	517
Nissan Motor	676	661	670	686
NKK	268	263	267	263
Nomura Sec	1750	1700	1740	1760
NTT	8680a	8500a	8600a	8650a
Obayashi	785	755	785	766
Odakyu El Ry	688	672	688	680
Ono Pharm	3310	3170	3310	3230
Osaka Gas	317	312	317	317
Ricoh	1320	1290	1320	1320
Sakura Bk	908	810	860	898
Sankyo	3250	3170	3240	3240
Sanwa Bank	1670	1590	1640	1670
Sanyo Elec	483	470	479	486
Secom	7000	6900	6980	7000
Seibu Rwy	4610	4460	4510	4610
Sekisui House	1190	1170	1190	1190
Seven-Eleven	6820	6690	6760	6830
Sharp	1630	1600	1620	1630
Shimizu	864	840	864	850
Shin-etsu Ch	2120	2080	2120	2120
Shizuoka Bk	1230	1200	1230	1220
Sony	7600	7480	7600	7580
Sumitomo	950	928	950	949
Sumitomo Bk	1700	1620	1670	1710
Sumit Chem	457	447	447	457
Sumitomo Elec	1610	1590	1610	1610
Sumit Metal	288	276	285	283
Sumit Trust	1160	1110	1160	1160
Taisei	595	586	595	590
Taisho Pharm	2650	2590	2650	2650
Takeda Chem	2380	2320	2380	2350
TDK	7500	7350	7450	7380
Tohoku El Pwr	2280	2250	2270	2280
Tokai Bank	1200	1160	1200	1200
Tokio Marine	1100	1060	1090	1090
Tokyo El Pwr	2530	2490	2520	2540
Tokyo Gas	316	312	316	313
Tokyu	674	641	650	675
Tonen	1430	1350	1400	1430
Toppan Print	1450	1420	1450	1450
Toray Ind	715	700	715	714
Toshiba	720	706	716	714
Toyo Seikan	3070	2800	2910	3050
Toyo Trust	940	911	921	940
Toyota Motor	3280	3220	3280	3260
Yamaichi Sec	507	496	503	505
Yamanouchi	2380	2330	2370	2400
Yasuda Fire	618	592	608	612
Yasuda Trust	496	471	484	493

a: x 100

The Trib Index — *Closing prices.*

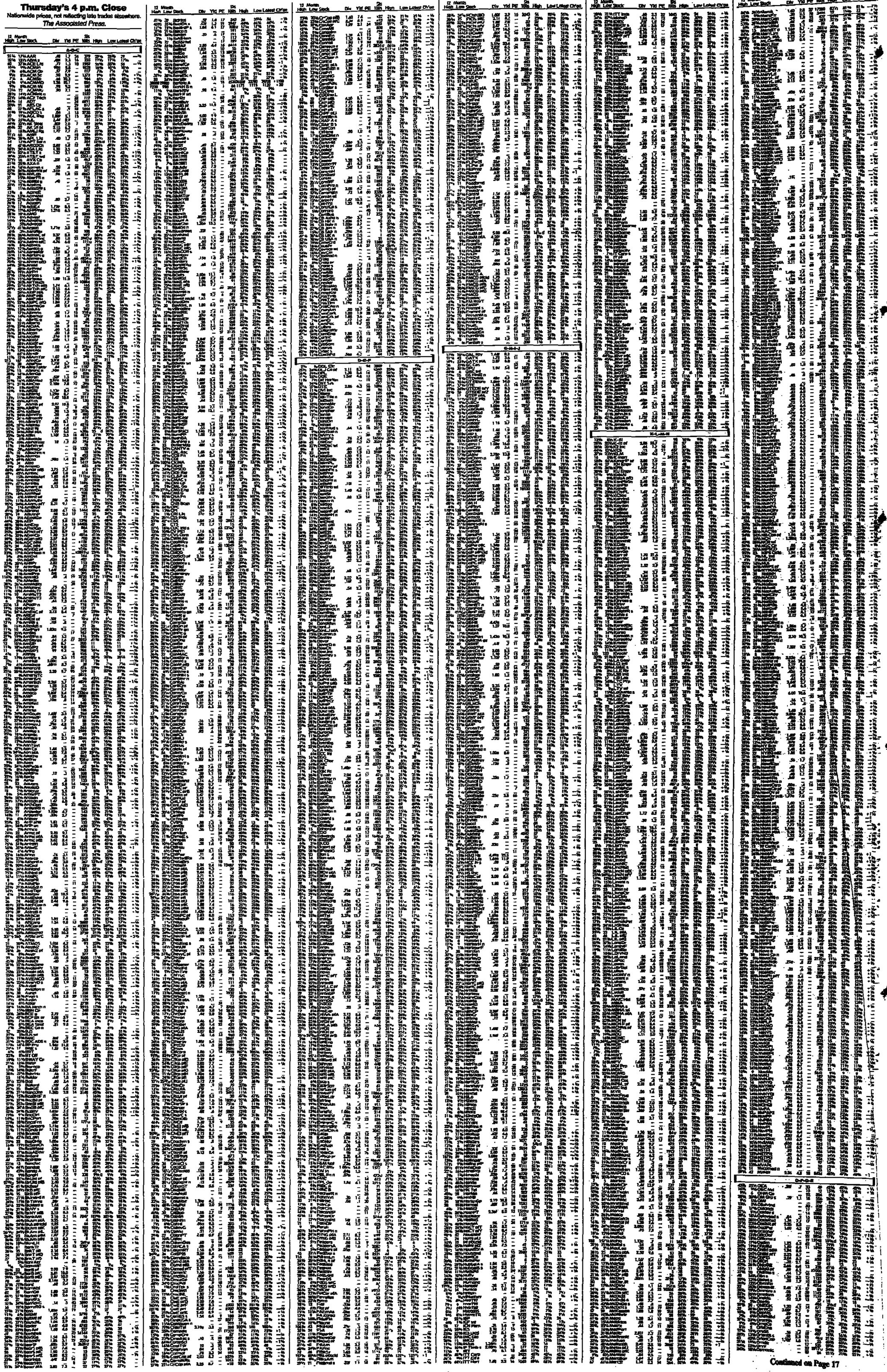
Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	148.46	+0.22	+0.15	+12.58
Regional Indexes				
Asia/Pacific	122.97	-1.95	-1.56	-8.41
Europe	157.35	+0.10	+0.06	+13.06
N. America	165.28	+2.18	+1.34	+28.84
S. America	113.45	+0.89	+0.78	+27.41
Industrial Indexes				
Capital goods	173.40	+2.22	+1.30	+30.49
Consumer goods	160.41	+0.39	+0.24	+16.18
Energy	169.64	+0.67	+0.40	+25.08
Finance	115.63	-1.50	-1.28	-9.12
Miscellaneous	160.35	-0.17	-0.11	+18.07
Raw Materials	174.00	+0.44	+0.25	+22.71
Service	136.31	+1.36	+1.01	+13.59
Utilities	141.29	+0.31	+0.22	+11.13

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

NYSE

Thursday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.



Continued on Page 17

ASIA/PACIFIC

Bank Units To Merge In Malaysia

Compiled by Our Staff From Dispatches

KUALA LUMPUR — United Overseas Bank Ltd. of Singapore said Thursday it would merge its two Malaysian subsidiaries to try to become more competitive.

The bank's chairman and chief executive, Wee Cho Yaw, said Chung Khiaw Bank Bhd. would be consolidated into United Overseas Bank Bhd. to enhance its operations in Malaysia.

"The consolidation of the two banks will enable the UOB group to play a bigger role in financial-related activities in Malaysia," Mr. Wee said.

The merger would form one of Malaysia's largest foreign-owned locally incorporated banks.

"Loans are getting bigger, so you need bigger banks," Mr. Wee said. "We must be competitive in this region." The merged bank will have combined assets of 10.3 billion ringgit ($4 billion), nonbank deposits of 5.2 billion ringgit, loans and advances of 5.9 billion ringgit and shareholders' equity of 839 million ringgit, Mr. Wee said.

He said the bank, which had met a minimum capital requirement of 500 million ringgit, had been given so-called tier-one status in Malaysia, allowing it to undertake a wide range of banking activities.

Under Malaysia's banking rules, the merged bank will have to raise its shareholders' equity to 1 billion ringgit by 1998 and its paid-up capital to 1 billion ringgit by 2000 to remain in tier one.

The merger, which is expected to take effect in the first quarter of 1997, would also enable the group to cut operating costs, eliminate duplication and pool resources, Mr. Wee said.

(AFP, Bloomberg)

A Barbie Japanese Children Can Love

By Andrew Pollack
New York Times Service

TOKYO — Six-year-old Machi Nishiyama was shopping for dolls in a Ginza toy store recently when she was shown two models. One was a glamorous doll named Barbie, a replica of a 1960s model, with a stunning figure, heavy eyeliner, a bare-shouldered dress and a pearl choker. The other, named Licca, was a smaller doll with big eyes and a plain, knee-length dress.

"I want Licca," Machi said without hesitation. Asked why, she pointed to Barbie and said, "Because her eyes are scary."

So it has gone for Barbie in Japan. Here, the world's most popular doll has always been a distant also-ran to Licca. With her bright blond hair, big blue eyes, white toothy smile and long legs, Barbie *is simply "too beautiful* for the Japanese," said Atsuko Tatsumi, executive director of the Weekly Toy News, a Japanese industry newsletter.

Barbie's creator, Mattel Inc., the world's largest toy company, is not even in the top 20 suppliers in Japan, the world's second-largest toy market.

But this Christmas shopping season, Barbie caught on, the result of changes to her features, changes at Mattel and changes in the tastes of Japanese girls.

Lesson one for Barbie: Keep your mouth shut. This is a country where women still cover their mouths with their hands when they laugh so as not to expose their teeth. After doing some consumer research, Mattel decided to soften Barbie's look for Japan. The main change was to close the mouth. Her skin color was also lightened.

Lesson two: Present Barbie in family settings, not as a professional woman-on-the-go. The rollerblading Barbie, a big hit in the United States, failed in Japan. But Barbie wheeling her baby sister Kelly in a stroller is a big hit here.

"Kids don't aspire to be older in this market because when you get to be a teen-ager you

Until Barbie became more friendly and family-oriented, she could be a little scary.

study all the time," said R. Eric Weber, the president of Mattel KK, the company's Japanese subsidiary. "Until Barbie became more friendly and nurturing and warm and family-oriented, she could be a little scary to mothers and their children."

The doll that captured Japanese girls' hearts, Licca, was introduced by Takara Co., a major Japanese toy manufacturer, in 1967.

Licca's success was not simply a case of Japanese girls preferring a Japanese playmate, however. Licca was said to be half-French and half-Japanese. She had round eyes and brown hair, not black, and dressed mainly in Western clothing.

Mattel, meanwhile, came out with black-haired Barbies wearing kimonos, and introduced some Japanese companions for Barbie.

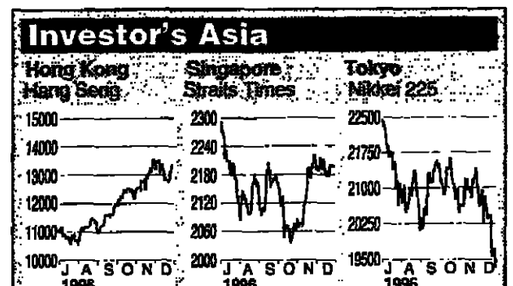
To Japanese girls, Licca simply was cuter than Barbie. While Barbie has adult, if stylized proportions, Licca has an oversized head with the big doe eyes that are so popular in Japanese comic books. She was meant to be a fifth grader, not a teen-ager. So Mattel teamed up with Takara in the early 1980s and introduced a Barbie tailored to the Japanese market. This Barbie was still blond but had a rounder face and bigger eyes. Lo and behold, it was a success.

Other business developments unrelated to Barbie led to the breakup of the partnership a few years later. The doll, kept by Takara, was renamed Jenny and went on to become the second best-selling fashion doll in Japan. Mattel forged a new Barbie partnership with another Japanese toy manufacturer, but it was unsuccessful.

Sales improved after Mattel set up its own subsidiary in Japan in 1991, but remained disappointing. A year ago the company replaced the entire management team in Japan and recruited Mr. Weber.

This year, Mr. Weber said, Barbie sales are up 70 percent. Takara also reports strong sales of Licca and Jenny. Yano Research, a market research firm, estimates that Mattel will have 6.1 percent of the overall doll market this year, up from 3.5 percent in 1993. But counting only fashion dolls, Mattel, which is Takara's only competitor, will have 30 percent.

Investor's Asia



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	Closed	13,341.61	-
Singapore	Straits Times	2,197.69	2,187.14	+0.48
Sydney	All Ordinaries	Closed	2,881.40	-
Tokyo	Nikkei 225	19,291.58	19,548.41	-1.32
Kuala Lumpur	Composite	Closed	1,267.66	-
Bangkok	SET	826.48	841.42	-1.78
Seoul	Composite Index	659.61	677.76	-2.77
Taipei	Stock Market Index	6,889.03	6,935.72	-0.67
Manila	PSE	3,165.52	3,152.59	+0.41
Jakarta	Composite Index	632.56	632.74	-0.04
Wellington	NZSE-40	Closed	2,344.70	-
Bombay	Sensitive Index	Closed	3,085.29	-

Source: Telekurs — International Herald Tribune

China Airlines to List Stock in U.S.

Reuters

SHANGHAI — China Eastern Airlines will list its shares in New York and Hong Kong simultaneously at the beginning of 1997, to be followed by China Southern Airlines.

Brokers said Thursday that the shares were likely to be attractive to foreign investors because of the rapidly growing Chinese aviation market, where fares are stable and tightly regulated.

In a report Wednesday, the official Xinhua news agency gave no details of the price or size of the listings, or of the timing of the second listing. Executives of China Eastern declined to comment Thursday, saying the company's lawyers did not want them to say anything about the listing because of U.S. laws. "There is tremendous demand for travel and more and more interregional trade in China," said John Crossman, general manager of Jardine Fleming Securities Ltd. in Shanghai. "China will never get a highway system as in the United States. If you want to do business and interregional trade, you have to go by air."

China Eastern's annual report for 1995 said the company had an unaudited net profit of 500 million yuan ($60.2 million) on revenue of 7 billion yuan. The company has a fleet of 39 aircraft flying 88 domestic and 23 foreign routes. It gave no comparable 1994 figures.

The airline said it accounted for 14.4 percent of the total turnover of China's airlines in 1995.

Beijing's Warehouses Brimming With Goods

Reuters

BEIJING — Excessive investment by China's state enterprises in some industries has resulted in a mountain of stockpiled goods ranging from shirts to bicycles to wristwatches, the official Guangming Daily newspaper said Thursday.

Warehouses across China have about 150 million unsold men's shirts, the paper said. There were stockpiles of 20 million bicycles and 10 million wristwatches, it said.

About 70 percent of the 3,000 state enterprises that make cosmetics were suffering a slump in sales, the newspaper added.

Very briefly:

- **Japanese banks** will write off more than 700 billion yen ($6.13 billion) in bad loans they made to seven failed housing *loan companies*, or *jusen*.
- **Chinese authorities** have closed 12 music and videodisk production lines since Dec. 10 in Guangdong Province as part of a crackdown on pornography and piracy; separately, the Legal Daily said China had shut down almost 57,000 small factories to try to curb damage to the environment caused by rapid economic growth.
- **Vietnam's** inflation rate fell to 4.5 percent in 1996, its lowest rate since 1987, from 12.7 percent last year, the General Statistical Office said.
- **Sony Music Entertainment (Japan) Inc.** will transfer a 50 percent stake in its wholly owned subsidiary, Sony Pictures Entertainment (Japan) Inc., to its parent company, Sony Corp., on Jan. 10.
- **Federal Express Corp.** will set up a second Asian regional hub in Taiwan to supplement one in Subic Bay, Philippines.
- **India** plans to spend nearly 9 trillion rupees ($250 billion) on development projects in the next five years to push up its growth rate to 7 percent annually. *Bloomberg, Reuters, AP*

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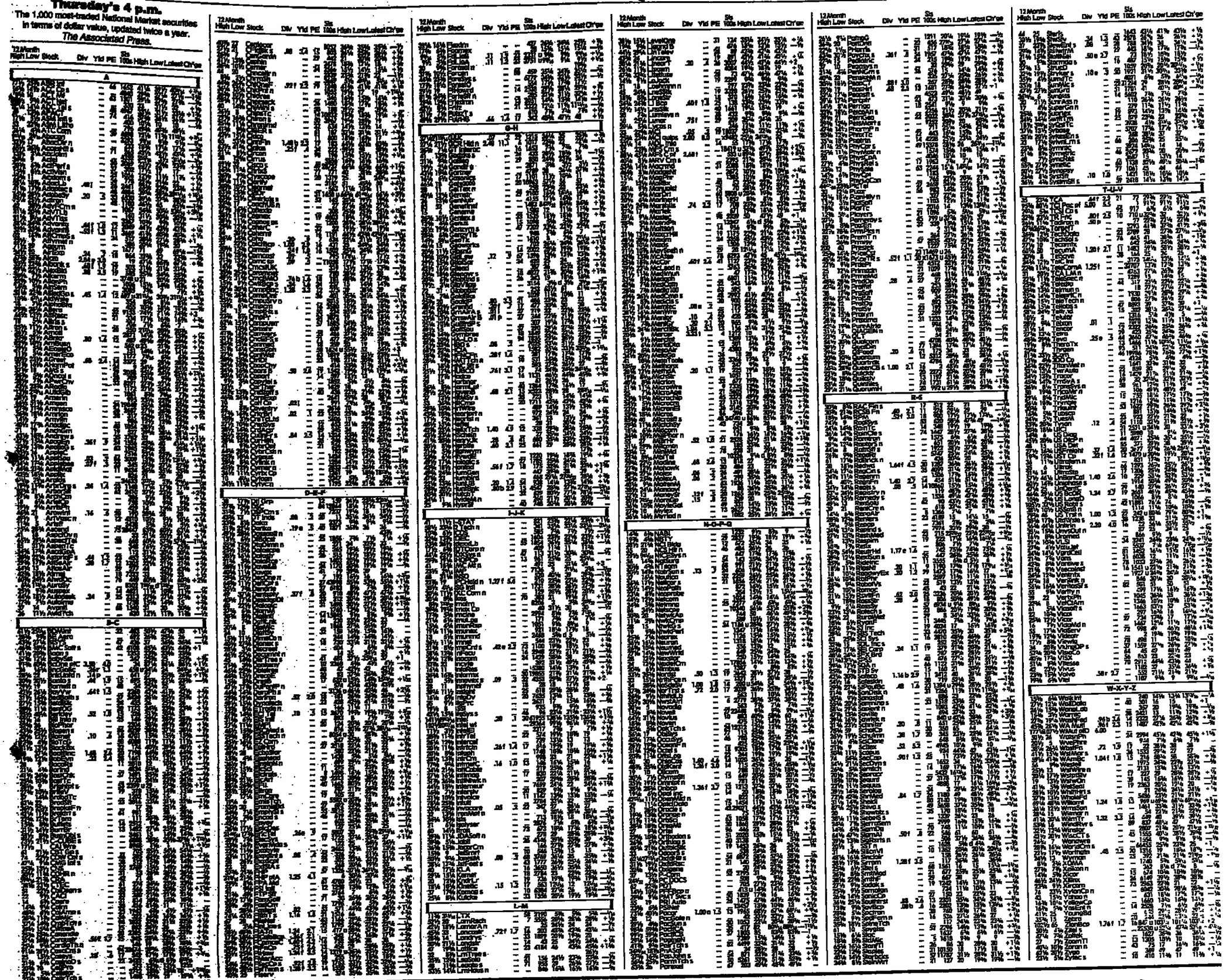
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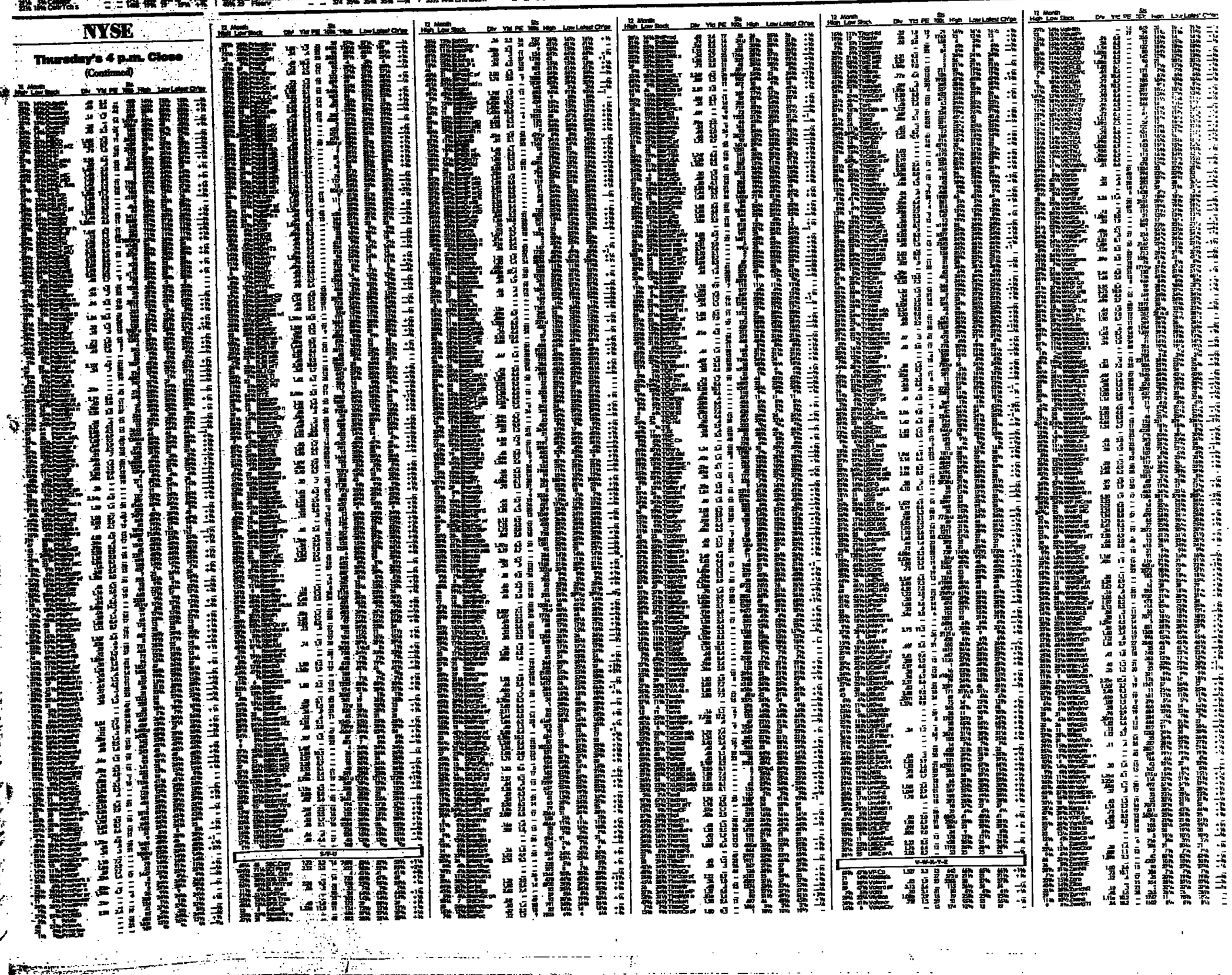
NASDAQ

Thursday's 4 p.m.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.



NYSE

Thursday's 4 p.m. Close
(Continued)



WORLD ROUNDUP

Lions Fire Fontes

FOOTBALL The Detroit Lions fired Wayne Fontes as coach Thursday after eight seasons, making him the sixth NFL coach to lose his job since the end of the season.

Fontes, who had one year left on his contract, had won more games than any other coach in Lions' history. He also lost more games than any other Lions' coach. Fontes compiled a record of 67-71, including 5-11 this year. He was 1-4 in the NFL playoffs.

Fontes was not present at Thursday's news conference. He had been at the stadium earlier in the day, but left an hour before his dismissal was announced. *(AP)*

Victory for Dunwoody

HORSE RACING One Man romped away from the field two fences from home to win the King George VI Chase for the second year in a row Thursday and give jockey Richard Dunwoody a record fourth triumph in the £100,000 ($150,000) race.

The 8-year-old gray, an 8-13 favorite, won the 3-mile race at Kempton Park by 12 lengths from Rough Quest, last season's Grand National winner. Barton Bank, who won the King George three years ago, placed third. *(AP)*

• An Australian jockey began a race on one horse but finished it in the saddle of another after a collision on the home turn. Andrew Payne, 17, an apprentice, started the Christmas Handicap at Melbourne's Caulfield race track aboard Hon Kwok Star and was near the rear of the field when another horse, Cogitate, stumbled next to him. *(Reuters)*

Bad Breaks for Yachts

SAILING Australian maxi Brindabella was one of seven yachts forced to retire shortly after the start of the 52d Sydney-to-Hobart yacht race on Thursday as German yacht Morning Glory took the lead in strong winds and heavy seas.

Brindabella's mast snapped near its base as the fleet sailed into a southerly front with winds of up to 40 knots. *(AP)*

Navy Wins in Hawaii

FOOTBALL Navy's backup quarterback, Ben Fay, ran for two fourth-quarter touchdowns, and the Midshipmen had 646 yards of total offense as they beat California by 42-38 in Honolulu.

Fay, who replaced Chris McCoy with Navy (9-3) down by 38-28 in fourth quarter of the Christmas day game, scored on runs of 2 and 10 yards and passed for 118 yards. McCoy was 9 of 13 for 277 yards and was selected MVP. *(AP)*

• In Montgomery, Alabama, Colorado State's Calvin Branch ran for 77 yards and two TDs to lead the Blue to a 44-34 victory in the Blue-Gray game. *(AP)*

Raptors Recall Camby

BASKETBALL The Toronto Raptors activated Marcus Camby, a rookie, Thursday in time for their game against the New Jersey Nets who are coached by Camby's college coach, John Calipari.

Camby had a back sprain which he suffered Nov. 26, and aggravated it when he returned Dec. 5. *(AP)*

West Indies' Bowler Dominates Aussies

Ambrose Motivated by Criticism

Compiled by Our Staff From Dispatches

The West Indies' fast bowler Curtly Ambrose made a stunning return to form on Thursday, claiming five Australian wickets on the first day of the third test.

The veteran pace bowler tore through the top of Australia's batting order as West Indies dismissed Australia for 219 at the Melbourne Cricket Ground. West Indies, which trails 2-0 in the five-test series, was 29 runs for one wicket at the close of play.

The Australian all-rounders Steve Waugh and Greg Blewett both scored defiant half-centuries after the home team slid to 27 for four before lunch.

Only the loss of opener Sherwin Campbell to fast bowler Glenn McGrath for seven just before the close marred West Indies' best day of test series.

Ambrose, who took just three test wickets in Brisbane and Sydney at an average of 93, inflicted the early damage by removing Mark Taylor, Matthew Hayden and Mark Waugh.

He returned late in the innings to remove wicketkeeper Ian Healy and McGrath to finish with five for 55 from 24.5 overs, the 15th time he has captured five wickets in a test innings.

"I promised the team I would take 10 wickets in the match so I'm halfway there," Ambrose said.

He said he was motivated by widespread criticism of his play so far on tour.

England vs. Zimbabwe England's tour of Zimbabwe plunged to new depths Thursday in Harare as the visitors lost nine wickets for just 137 runs on the first day of the second test match.

Heath Streak, Zimbabwe's top fast bowler, finished the day with three wickets for 34 runs. Guy Whittall took four for 12 from 13 overs of medium pace as England's batsmen played some wretched strokes.

Only John Crawley, not out on 37, provided hope that England might pass the 147 scored by Pakistan last year in Lahore, the lowest total against Zimbabwe since it became a test-playing team in 1992.

On a muggy day ideal for swing bowling, England's problems began when opening batsman Nick Knight flicked loosely at Henry Olonga's first ball and was caught out for 15.

Mike Atherton, England's captain, became Whittall's first victim, caught for 13.

After being dropped once, Alec Stewart drilled a catch straight to a fielder in Streak's next over and England limped to lunch at 63 for three.

In the afternoon, Graham Thorpe spooned up a catch to a close fielder and Nasser Hussain edged a wide ball from Streak to the wicketkeeper when he had made 11.

Craig White, who had arrived from Australia less than 48 hours earlier to replace the injured all-rounder Ronnie Irani, came in with the score at 73 for five. At nine, he was caught off Whittall to leave the visitors at 108 for six at tea.

Robert Croft and Crawley added 34, the highest stand of the innings before Croft lost patience and drove wildly at a wide ball from Whittall and was caught for 14.

Darren Gough played an ambitious shot at leg-spinner and Paul Strang and was bowled for two and one run. Later, Alan Mullally bowled to become Whittall's fourth victim.

"I think England's batsmen basically got themselves out because they weren't patient enough," said David Houghton, Zimbabwe's player-coach.

South Africa vs. India Andrew Hudson and Brian McMillan stopped a rampant Indian attack on Thursday as South Africa fought back on the first day of the first test at Kingsmead Cricket Ground in Durban.

Watched by a record opening-day crowd of almost 24,000, Hudson scored 80 and McMillan 34 as the home team, which was 113 for five, recovered to reach 235.

Then, with the fans baying, India survived an over each by South Africa's two fast bowlers, Allan Donald and Shaun Pollock. India will resume at two runs without loss on Friday morning.

South Africa lost Gary Kirsten to bowler Venkatesh Prasad in the fourth over of the morning.

Adam Bacher batted through to lunch to help Hudson put on 62 for the second wicket. But after Bacher was out for 25 by Javagal Srinath just seven balls after the break, South Africa slid from 70 for one to 113 for 5. *(Reuters, AFP)*

Cricket Roundup



William West/Agence France-Presse

Australia's Glenn McGrath could not avoid a fierce ball and was caught out.



Dan Chung/Reuters

The Rovers' Colin Hendry, left, tackling Newcastle's Alan Shearer.

United Shuts Out Forest, 4-0, To Climb Into Third in League

Reuters

LONDON — Manchester United routed Nottingham Forest, the bottom-ranked club in the English Premier League, 4-0, on Thursday and took advantage of upsets elsewhere to climb to third place.

In its previous match on Saturday, United, the reigning champion, thrashed Sunderland, 5-0, to end a spell of poor results. United has scored nine goals in its last two outings.

David Beckham gave the visitors the lead after 21 minutes, lobbing a left-wing cross from Ryan Giggs past Forest's goalkeeper, Mark Crossley. Nicky Butt increased the lead before halftime and United dominated the second half. Ole Solskjaer made the score 3-0 with his 10th goal of the season, and Andy Cole, in his first appearance since cracking a bone in his leg earlier this season, came off the bench to score United's fourth.

It was not a happy return to Forest's lineup for Nigel Clough, back after a three and a half year absence at the club managed for so long by his father, Brian.

Liverpool, the league leader, could only tie, 1-1, at home against Leicester City. Liverpool fell behind after a second-half goal by Steve Claridge. Stan Collymore evened the score three minutes later — his seventh goal of the season.

Blackburn Rovers won the Premier League title in the 1994-95 season thanks largely to the goals of Alan Shearer. The club has sunk near the bottom of the rankings this season after selling Shearer to Newcastle last summer. But Rovers ruined the English striker's return to Blackburn by beating Newcastle, 1-0.

To add to the glee of most of the crowd of 30,000, Shearer received a yellow card for a clumsy tackle on Jeff Kenna.

Kevin Gallacher scored the only goal, which came in the dying minutes.

Two second-half goals from Gianfranco Zola gave Chelsea a 2-0 victory at Aston Villa, which had beaten Wimbledon, 5-0, on the same field Saturday.

Everton lost, 4-2, at Middlesbrough with Juninho scoring twice for the winner.

Coventry gained its third consecutive victory, beating Leeds, 3-1, at Elland Road. Gary McAllister, the former captain of Leeds, scored Coventry's third goal on a penalty.

Tottenham beat Southampton, 3-1. Wimbledon's match against West Ham was postponed because of a frozen field.

A Bad Year At the Track For the Pros

By Andrew Beyer
Washington Post Service

When I started playing the horses seriously a quarter-century ago, my mentor, Clem Florio, often uttered these cautionary words: "This game will keep you humble." I learned quickly that the game is so complex and filled with so many cruel twists of fate that it will often frustrate the most confident and disciplined bettors.

But rarely in my gambling life have I felt so humbled as I do now, realizing that 1996 is going to be a losing year for me. After going to the track 180 times and devoting thousands of hours to handicapping and betting, all of my efforts have proved utterly fruitless. I would have been better off doing honest work.

It is possible, of course, that I am, at 53, a broken-down horseplayer who ought to be put out to pasture. But I don't think that this is the case, because I know too many other serious handicappers in the same situation.

It seems hard to escape the conclusion that playing the horses in the modern era is offering less and less chance for success. But why?

Every fan I know is troubled and frustrated by the decline in the quality of day-to-day American racing. Races have to be competitive in order to offer potential; a handicapper has to be able to unearth horses with hidden virtues who are going off at good odds. But good betting opportunities simply won't exist in a seven-horse field with an obvious 4-to-5 favorite — and that's the typical fare at too many tracks.

Another explanation for the difficulty of the game lies in the very nature of the pari-mutuel system. Horse racing is a competition among bettors, and in order to succeed, a handicapper must be smarter than the crowd. Years ago, when racetracks were filled with unsophisticated hunch bettors, this wasn't difficult. But the suckers have deserted tracks in order to gamble on lotteries and one-armed bandits, and the remaining players are increasingly sophisticated and well-informed. They can obtain computerized data about the methodology of trainers, about pedigrees which are best suited to grass and turf, about every relevant factor in the game. It's hard for a gambler to find an edge.

If a handicapper is going to have an edge over the crowd, it's going to be a slim one. But a slim advantage is no help when racetracks keep raising their takeout from the betting dollar. New York boosted its take on exactas from 17 to 20 percent this year. Philadelphia Park takes an unconscionable 30 percent.

A horseplayer notices the effect of takeout — as I did — when he tallies his bottom line at the end of the year. I lost slightly more than 4 percent of my gross handle. Since racetrack takeout averages about 20 percent overall, I could say that I beat the game by a significant margin, but I couldn't beat the rate of taxation. If so many professional full-time players have trouble overcoming the mathematics of betting, the average fan has little chance to win in the long run. As some of these fans give up in frustration, the competition among the remaining players becomes tougher and winning becomes even more difficult. This is surely what has happened to many of us in 1996.

I have suffered through many demoralizing streaks in my gambling life and I have always bounced back. When Gulfstream Park opens Jan. 3, I will be betting with my usual zeal. But I will go there with an uncustomary dose of humility and a recognition that beating the races is more difficult than ever.

Bud SPORTS NOTES

DECEMBER 27, 1987

TOO SMALL. TOO SLOW. DRAFTED LATE AND TRADED IMMEDIATELY. NOBODY IN THE NFL BELIEVED IN STEVE LARGENT. TOO BAD. ON THIS DAY, LARGENT GRABS HIS 752ND PASS FOR THE SEATTLE SEAHAWKS. HE SURPASSES CHARLEY JOINER AS THE LEAGUE'S ALL-TIME RECEPTION LEADER. TOO GOOD TO BE TRUE.

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BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	20	7	.741	—
New York	19	7	.731	½
Washington	13	13	.500	6½
Orlando	10	13	.435	8
Philadelphia	7	18	.280	12
New Jersey	6	17	.261	12
Boston	5	19	.208	13½

CENTRAL DIVISION

Chicago	25	3	.893	—
Detroit	20	6	.769	4
Cleveland	17	9	.654	7
Atlanta	15	10	.600	8½
Charlotte	15	11	.576	9
Milwaukee	15	11	.576	9
Indiana	12	12	.500	11
Toronto	9	18	.333	15½

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	21	6	.778	—
Utah	20	6	.769	½
Minnesota	10	17	.370	11
Dallas	9	16	.360	11
Denver	8	19	.296	13
San Antonio	6	18	.250	13½
Vancouver	6	22	.214	15½

PACIFIC DIVISION

L.A. Lakers	20	9	.690	—
Seattle	20	9	.690	—
Portland	14	14	.500	5½
Sacramento	11	17	.393	8½
Golden State	10	17	.370	9
L.A. Clippers	10	18	.357	9½
Phoenix	8	19	.296	11

WEDNESDAY'S RESULTS

Los Angeles	23	28	25	32—108
Phoenix	14	31	28	22— 97

L.A.: O'Neal 11-24 4-9 26, Jones 9-16 3-6 24; P: Cassell 3-8 11-15 17, Chapman 5-14 4-4 15, Manning 5-9 5-7 15. Rebounds—Los Angeles 67 (O'Neal 14), Phoenix 46 (Green 9). Assists—Los Angeles 22 (Van Exel 12), Phoenix 19 (Chapman 6).

Detroit	23	14	24	22—83
Chicago	28	21	24	23—95

D: Hill 12-24 3-4 27, Tharpe 8-14 1-4 17, Hunter 7-21 0-2 17; C: Pippen 11-25 0-0 27, Jordan 9-21 5-7 23. Rebounds—Detroit 49 (Lang 11), Chicago 60 (Rodman 22). Assists—Detroit 11 (Dumars 3), Chicago 30 (Pippen, Kukoc 8).

FOOTBALL

NFL Leaders

AMERICAN FOOTBALL CONFERENCE

QUARTERBACKS

	Att	Cmp	Yds	TD	Int
Elway, Den.	466	287	3328	26	14
Testaverde, Bal.	549	325	4177	33	19
Marino, Mia.	373	221	2795	17	9
Brunell, Jac.	557	353	4367	19	20
Bledsoe, N.E.	623	373	4086	27	15
Hostetler, Oak.	402	242	2548	23	14
Blake, Cin.	549	308	3624	24	14
Chandler, Hou.	320	184	2099	16	11
Humphries, SD	416	232	2670	18	13
Harbaugh, Ind.	405	23	2630	13	11

RUSHERS

	Att	Yds	Avg	LG	TD
Davis, Den.	345	1538	4.5	71	13
George, Hou.	335	1368	4.1	76	8
Murrell, NY-J	301	1249	4.1	78	6
Martin, N.E.	316	1152	3.6	57	14
A.Jabbar, Mia.	307	1116	3.6	29	11
Thomas, Buf.	281	1033	3.7	36	8
Kaufman, Oak.	150	874	5.8	77	1
Warren, Sea.	203	855	4.2	51	5
Hearst, Cin.	225	847	3.8	24	0

RECEIVERS

	No	Yds	Avg	LG	TD
Pickens, Cin.	100	1180	11.8	61	12
Glenn, N.E.	90	1132	12.6	37	6
T. Brown, Oak.	90	1104	12.3	42	9
Martin, S.D.	85	1171	13.8	55	14
McCardell, Jac.	85	1129	13.3	52	3
Chrebet, NY-J	84	909	10.8	44	3
Smith, Jac.	83	1244	15.0	62	7
Sharpe, Den.	80	1062	13.3	51	10
Jackson, Bal.	76	1207	15.8	86	14
McDuffie, Mia.	74	918	12.4	36	8

SCORING TOUCHDOWNS

	TD	Rush	Rec	Ret	Pts
Martin, N.E.	17	14	3	0	104
Davis, Den.	15	13	2	0	90
Jackson, Bal.	14	0	14	0	88
Martin, S.D.	14	0	14	0	84
Pickens, Cin.	12	0	12	0	74
A.Jabbar, Mia.	11	11	0	0	66
Bettis, Pit.	11	11	0	0	66
Sharpe, Den.	10	0	10	0	60
Stewart, Jac.	10	8	2	0	60
Alexander, Bal.	9	0	9	0	56
Coates, N.E.	9	0	9	0	56

PUNTERS

	No	Yds	LG	Avg
Kidd, Mia.	78	3611	63	46.3
Gardocki, Ind.	68	3105	61	45.7
Bennett, S.D.	87	3967	66	45.6
L. Johnson, Cin.	80	3630	67	45.4
Hansen, NY-J	74	3311	69	44.7
Roby, Hou.	67	2973	68	44.4
Tuten, Sea.	85	3746	66	44.1
Montgom., Bal.	68	2980	67	43.8
Barker, Jac.	69	3016	62	43.7
Topa, N.E.	63	2739	62	43.5

PUNT RETURNERS

	No	Yds	Avg	LG	TD
D. Gordon, S.D.	36	537	14.9	81	1
R. Smith, Den.	23	283	12.3	36	0
Kinchen, Den.	26	300	11.5	40	0
Meggett, N.E.	52	588	11.3	60	1
Hudson, Jac.	32	348	10.9	60	0
Burns, Buf.	27	286	10.6	45	0
McDuffie, Mia.	22	212	9.6	19	0
J. Lewis, Bal.	36	339	9.4	46	0
Gray, Hou.	22	205	9.3	40	0
T. Brown, Oak.	32	272	8.5	36	0

KICKOFF RETURNERS

	No	Yds	Avg	LG	TD
Vanover, K.C.	23	654	25.9	97	1
Gray, Hou.	50	1224	24.5	88	0
Hebron, Den.	45	1099	24.4	59	0
Spikes, Mia.	28	681	24.3	59	0
Bailey, Ind.	43	1041	24.2	95	1
Woods, K.C.	25	581	23.2	66	0
Mobley, Buf.	52	1205	23.2	97	1
Meggett, N.E.	34	781	23.0	54	0
Broussard, Sea.	43	979	22.8	86	0
Dunn, Cin.	35	782	22.3	90	1

NATIONAL FOOTBALL CONFERENCE

QUARTERBACKS

	Att	Cmp	Yds	TD	Int
S. Young, S.F.	316	214	2410	14	6
Favre, G.B.	543	325	3899	39	13
B.Johnson, Min.	311	195	2258	17	10
Detmer, Phi.	401	238	2911	15	13
Aikman, Dal.	465	296	3126	12	13
Collins, Car.	364	204	2484	14	9
Frerotte, Was.	470	270	3452	12	11
Krieg, Chi.	377	226	2278	14	12
K. Graham, Ari.	274	146	1624	12	7
Mitchell, Det.	437	253	2917	17	17

RUSHERS

	Att	Yds	Avg	LG	TD
Sanders, Det.	307	1553	5.1	56t	11
Watters, Phi.	353	1411	4.0	58t	13
Allen, Was.	347	1353	3.9	49	21
E. Smith, Dal.	327	1204	3.7	42	12
Johnson, Car.	300	1128	3.7	29	6
Anderson, Ari.	232	1055	4.5	32	5
Bennett, G.B.	222	899	4.0	23	2
Hampton, NY-G	254	827	3.3	25	1
R. Harris, Chi.	194	748	3.9	23	4
R. Smith, Min.	162	692	4.3	57	3

RECEIVERS

	No	Yds	Avg	LG	TD
Rice, S.F.	108	1254	11.6	39	8
Moore, Det.	106	1296	12.2	50	9
Carters, Ariz.	99	766	7.7	39	7
Carter, Min.	96	1163	12.1	43	10
Perriman, Det.	94	1021	10.9	44	5
Fryar, Phi.	88	1195	13.6	42	11
Brice, St.L.	84	1338	15.9	78	7
Conway, Chi.	81	1049	13.0	58	7
Emanuel, Atl.	76	931	12.3	33	6
Reed, Min.	72	1320	18.3	82	7

SCORING TOUCHDOWNS

	TD	Rush	Rec	Ret	Pts
Allen, Was.	21	21	0	0	126
E. Smith, Dal.	15	12	3	0	90
Watters, Phi.	13	13	0	0	78
Fryar, Phi.	11	0	11	0	66
Kennison, St.L.	11	0	9	2	66
Sanders, Det.	11	11	0	0	66
Carter, Min.	10	0	10	0	60
Jackson, G.B.	10	0	10	0	60
Lewis, G.B.	10	5	5	0	60
Wells, Car.	10	0	10	0	60

PUNTERS

	No	Yds	LG	Avg
Turk, Was.	75	3286	62	43.1
Landeta, St.L.	78	3491	72	44.8
Saxerbrun, Chi.	78	3491	72	44.8
Thompson, S.F.	73	3217	65	44.1
Feagles, Ariz.	76	3328	68	43.8
Royals, Det.	69	3020	60	43.8
Barnhardt, T.B.	70	3015	62	43.1
Jett, Dal.	74	3158	60	42.6
Huston, Phi.	73	3107	60	42.6
Hentrich, G.B.	66	2884	65	43.4

PUNT RETURNERS

	No	Yds	Avg	LG	TD
Howard, G.B.	58	875	15.1	92	3
Kennison, St.L.	29	423	14.6	78	2
Oliver, Car.	52	598	11.5	84	1
Mitchell, Was.	23	258	11.2	71	0
Metcalf, Atl.	27	296	11.0	39	0
Palmer, Min.	22	216	9.8	69	1
Martin, Det.	41	373	9.1	22	0
Ingram, Chi.	31	282	9.1	34	0
Carter, S.F.	36	317	8.8	52	0
Dawsett, Ariz.	34	297	8.7	35	0

KICKOFF RETURNERS

	No	Yds	Avg	LG	TD
Bates, Car.	33	998	30.2	93	1
Walker, Det.	27	779	28.9	89	0
Hughes, K.C.	70	1791	25.6	58	0
Milburn, Det.	44	1127	25.4	65	0
Witherspn., Phi.	53	1271	24.0	97	2
Engram, Chi.	25	580	23.2	45	0
Jo.Jackson, Chi.	27	619	22.9	60	0
Mitchell, Was.	54	1259	22.5	50	0
K.Williams, Det.	21	471	22.4	39	0
Sloan, T.B.	28	626	22.4	54	0

NFL Team Statistics

TOTAL YARDAGE

AMERICAN FOOTBALL CONFERENCE

OFFENSE

	Yards	Rush	Pass
Denver	5791	2382	3409
Jacksonville	5760	1650	4110
Baltimore	5733	1745	3988
New England	5349	1448	3901
Oakland	5252	2172	3080
Cincinnati	5225	1793	3432
N.Y. Jets	5190	1565	3625
Miami	5165	1622	3543
Pittsburgh	5140	2299	2841
Buffalo	5119	1901	3218
Houston	5048	1859	3189
Seattle	5024	1997	3027
Kansas City	4899	2089	2810
Indianapolis	4744	1448	3296
San Diego	4670	1312	3358

DEFENSE

	Yards	Rush	Pass
Pittsburgh	4362	1415	2947
Denver	4470	1331	3139
Houston	4610	1385	3225
Oakland	4697	1676	3021
Buffalo	4737	1669	3068
Jacksonville	5095	1781	3314
Miami	5191	1536	3655
Kansas City	5204	1666	3538
New England	5305	1502	3803
Indianapolis	5483	1780	3643
San Diego	5421	1755	3666
Seattle	5437	2096	3341
Cincinnati	5469	1643	3826
N.Y. Jets	5564	2200	3364
Baltimore	5889	1920	3969

NATIONAL FOOTBALL CONFERENCE

OFFENSE

	Yards	Rush	Pass
Philadelphia	5627	1882	3745
Green Bay	5535	1838	3697
San Francisco	5506	1847	3659
Washington	5229	1910	3319
Minnesota	5204	1546	3658
Arizona	5190	1502	3688
Atlanta	5126	1461	3665
Detroit	5013	1810	3203
Chicago	4905	1720	3185
Carolina	4812	1729	3083
Dallas	4763	1641	3122
St. Louis	4372	1607	2765
Tampa Bay	4314	1549	2727
New Orleans	4206	1308	2898
N.Y. Giants	3942	1603	2339

DEFENSE

	Yards	Rush	Pass
Green Bay	4155	1416	2740
Dallas	4382	1576	2806
Philadelphia	4544	1565	2979
San Francisco	4661	1497	3164
Carolina	4776	1562	3214
Tampa Bay	4814	1589	3225
Chicago	4884	1617	3267
New Orleans	4910	2076	2834
N.Y. Giants	5047	1748	3299
Minnesota	5067	1946	3121
Detroit	5351	2087	3264
Arizona	5361	1962	3409
St. Louis	5529	1854	3675
Washington	5723	2275	3448
Atlanta	5786	2047	3745

College Bowl Games

BLUE-GRAY CLASSIC

WEDNESDAY, IN MONTGOMERY

Blue 44, Gray 34

ALOHA BOWL

WEDNESDAY, IN HONOLULU

Navy 42, California 38

CRICKET

THIRD TEST, 1 ST DAY

AUSTRALIA VS. WEST INDIES

THURSDAY, IN MELBOURNE

Australia 1st Innings: 219 all out

West Indies 1st Innings: 29-1

SECOND TEST, 2ND DAY

ZIMBABWE VS. ENGLAND

THURSDAY, IN HARARE

England 1st Innings: 127-9

Bad light ended play.

FIRST TEST, 1 ST DAY

SOUTH AFRICA VS. INDIA

THURSDAY, IN DURBAN

South Africa 1st Innings: 235 all out

India Innings: 2-0

SOCCER

ENGLISH PREMIER LEAGUE

Aston Villa 0, Chelsea 2

Blackburn 1, Newcastle 0

Leeds 1, Coventry 3

Liverpool 1, Leicester 1

Middlesbrough 4, Everton 2

Nottingham Forest 0, Manchester United 4

Sunderland 2, Derby 0

Tottenham 3, Southampton 1

Sheffield Wednesday 0, Arsenal 0

Wimbledon vs. West Ham, ppd.

STANDINGS: Liverpool 39 points; Arsenal 36; Manchester United 34, Wimbledon 34; Aston Villa 33; Newcastle 31, Chelsea 31; Everton 28, Tottenham 28; Sheffield Wednesday 27; Sunderland 23; Derby 22; Leicester 22, Leeds 22; Coventry 19; West Ham 18, Middlesbrough 18; Blackburn 16, Southampton 16; Nottingham Forest 13.

TRANSITIONS

FOOTBALL

NATIONAL FOOTBALL LEAGUE

PHILADELPHIA—Signed LB Terry Crews to 1-year contract. Released DT Keith Rocker.

PITTSBURGH—Put RB Eric Pegram on injured reserve. Activated RB Terry Richardson from practice squad.

SAN FRANCISCO—Signed RB Chuck Levy. Put DE Michael Brandon on injured reserve.

HOCKEY

NATIONAL HOCKEY LEAGUE

DETROIT—Named Mike Krushelnyski assistant coach.

FLORIDA—Recalled D Alain Nasreddine from Carolina, AHL; traded him to Chicago.

WASHINGTON—Recalled F Andrew Brunette from Portland, AHL.

COLLEGE

IOWA STATE—Suspended basketball F David Hickman for being charged with misdemeanor shoplifting.

IOWA STATE—Announced RB Troy Davis will forego his senior year of eligibility and make himself available for the NFL draft.

PITTSBURGH—Named Walt Harris football coach. Named Brian Williams and Vincent White assistant football coaches.

YALE—Named Jack Siedlecki football coach.

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Herald Tribune

THE WORLD'S DAILY NEWSPAPER

SPORTS

Stars in New York's Soccer Melting Pot

'Gentleman Jewels' Bring Glory to a Manhattan High School

By Robert Lipsyte
New York Times Service

NEW YORK — Revillino Jones did not want to play soccer in America because it made his heart ache for Trinidad. But his sweet island looks gave him away. On Jones' first day at high school in Manhattan three years ago, the new coach grabbed him in the hallway and ordered him to try out for the team. Within a minute of watching the 16-year-old move with the ball, the coach knew he had found one of those "gentleman jewels" from other lands who could help turn a perennial loser into a champion.

For three weeks, Revillino Jones avoided the coach. At first, his mother agreed with his decision; they had come for opportunities through education not sport. But as Jones' homesickness deepened, it was his mother who finally told him to go play, that only his love for the game would lift the sadness. It was fated. After all, he was named for the Brazilian soccer star Roberto Rivelino.

Revillino Jones plunged into Coach Martin Jacobson's "boiling melting pot" of native Africans, South Americans and West Indians who last month brought New York's Public Schools Athletic League trophy to a cluttered, noisy guidance office at Martin Luther King Jr. High School.

"I love these kids," said Jacobson, a quicksilver 50-year-old with his own immigrant baggage. "I love their calmness, their ambition. It's hard for them. Their families do not, shall we say, always possess all the cards one needs in this bigoted, inhumane immigration system.

"Call me a liberal. I help them get green cards. I buy them shoes. No kid who starts for me will have to pay his way through college. I'll do anything I can as long as they don't talk tough, dress funny or hang. When they do, when they start becoming too American, I throw them off the team."

Yes, there are elements of old fireside stories here, hard-working immigrant youths, sports as a gateway to success, tough-love coaches with a madness for the game. But Jacobson does not claim to be saving young men from the streets with net dreams; most come from striver families. Besides, soccer is no pot-of-gold sport in the United States.

And because King is open to students from all boroughs, and Jacobson is deeply enmeshed in the metropolitan area's soccer web, his success has become a recruiting magnet. The school also has a good reputation for business courses and is in a fine neighborhood, across Amsterdam Avenue from Lincoln Center.

We can be sure only of this: On the West Side of Manhattan, in a school of 3,200 predominately Hispanic and American-born black students, soccer has become a raft on which a small group of newcomers has entered the mainstream yet kept their culture dry.

"Eighteen players, 10 countries. But we all speak soccer. These kids are not stereotypical New York; these kids are wonderful, respectful kids from families that care about them."

In 1994, Jacobson, a guidance counselor for English as a second language students at King the past 10 years, took over a failing soccer program. In the same spirit in which white basketball coaches once mined black schoolyards, he prowled ESL and bilingual classes for boys who had grown up dribbling with their feet. High school was too late to teach them the skills; he would merge their skills with others. It would not be easy in a school with no fields and only about 100 students from soccer-playing countries.

King has good basketball — the boys' team won a city title two seasons ago — and enough students from the Dominica Republic to satisfy the baseball coach.

Revillino Jones was a good early catch. He started on a team that won 14 and lost 2, an improvement over the previous year's 0-12-3. Last season, the team was 13-2, losing in the semifinals to Wingate of Brooklyn, a perennial power with a large immigrant population. This year, King not only won all 16 of its games, but also scored 89 goals, while allowing only five.

Much of that scoring came from Barry Swift, who two years ago led Malick Secondary Comprehensive School of Barataria, outside Port of Spain, to the Trinidadian title. Last year, he joined his father, a food service manager at a medical center in Brooklyn. It was part of his master plan.

"I came here with worlds to conquer, to take my soccer to a new level," said Swift, a 19-year-old senior with the easy poise of the winning superstar. He plans to earn a scholarship to play soccer at university. "Then I will be the best in Major League Soccer."

"Actually, most guys on this team," Swift made a grand gesture at the grinning crowd around him, "could play pro ball."

"That is not realistic," Jacobson snapped. "There are many good players in the U.S. outside of New York who you haven't seen yet, and a lot of things can happen in your life. The first goal," his deep-set, glittering eyes swept the room into silence, "is to do well here and get in to college."

This was a few days after the championship banquet, just before the holiday break, and members of the team drifted in and out of Jacobson's family room of a guidance office, finishing term papers, stashing coats and book bags, gossiping with each other, meeting a visitor.

They were only momentarily chastened when Jacobson added: "That is so American, Barry. You go out and talk to every kid in the playgrounds of New York, he thinks he can play in the National Basketball Association." The idea of being "American" is not as alluring to these young men as it might have been, say, to Jacobson's father, the son of Russian Jewish immigrants.

The "Trinis," as they call themselves, seem particularly contemptuous of Americans who "don't talk decent and got their baggy pants down to here."

Jacobson fuels this sense of superiority. He tells them not to lose their culture, whether that means working hard and staying "sweet" or avoiding do-rags and hoops. The racial ironies here are simply not discussed.

Nor does Jacobson tell much of his own story. Born in Brooklyn, raised on Long Island, he says he "became a punk" at 10, shoplifting, throwing rocks at passing cars. His father was in the hospital, dying of diabetes, and his mother, a beautician, was working seven days a week. A local cop named Bob Carroll caught him stealing pistachio nuts from a Dainch Shopwell and dragged him to a recreation center run by Herman Druckman, a concentration camp survivor with a sometimes impenetrable accent. But Druckman taught the boy the language of soccer.

"That was it," Jacobson said. "This stumpy old guy gave me direction and gave me passion and saved my life. I knew then I wanted to coach soccer."

JACOBSON'S personal life has been lively. He describes it this way: "I have numerous children by many relationships and I manage to keep up with the interest on my credit cards."

Kevon Isa laughed at that. "We are so good because coach has no life."

Isa is a junior, a 6-foot-3-inch self-described "hefty lad born to be a sweeper back" who loves to declaim on the team's "Trini tone."

Yet the Trinis had to meld their flashy Brazilian "saco samba" style with the stolid defense of Gustavo Arriola, a little bull from Guatemala, who initially thought Isa talked too much, and with Monsour Ndjaye, an intellectual striker from Senegal, who prefers to read even on the subway to games. Monsour must send his homework to Dakar every week so his parents, optometrists who sent him to live with an uncle in Harlem, can be sure he is continuing to better himself.

"So far, they are satisfied," said Ndjaye, a 16-year-old junior whose precise speech and button-down blue shirt made him seem older, and from another decade. "I get all A's."

"It's my job to keep this melting pot at a boil," Jacobson said. "Eighteen players, 10 countries. Did I mention Ivory Coast, Jamaica, Haiti, Brazil, Ecuador, Argentina, Mexico. The manager's from Ghana. But we all speak soccer, the language Mr. Druckman taught me. These kids are not stereotypical New York; these kids are wonderful, respectful kids from families that care about them."

Like most New York teams, equipment and money is in short supply. The King team practices in the gym when it is available, in vacant lots, in nearby parks, on a few secret patches of land where a gatekeeper can be greased. The team rarely practices on a field with goal posts, so it rehearses corner kicks during halftime of games.

"These are beautiful kids, immigrant kids giving this country new vitality," said Jacobson, once the office was clear. "How can America not look at them and want to be more humane, to treat people like individuals? How can the richest country on earth not want to give back to the world?"



Seth Wenig/New York Times

Revillino Jones, left, Kevon Isa, Barry Swift, Gustavo Arriola and Monsour Ndjaye listen to Coach Jacobson.



Tim Zielenbach/Agence France-Presse

The Bulls' Scottie Pippen, right, crowding Grant Hill of Detroit in a game in Chicago.

Chicago Keeps Upper Hand Against Uncertain Detroit

The Associated Press

No matter how impressive their record seems, the Detroit Pistons simply aren't good enough to challenge the Chicago Bulls.

"You try to instill in your team the feeling that you can get this done. But by the look in our eyes, I didn't think we believed that," said Doug Collins, the Detroit coach, after his team lost, 95-83, Wednesday night to the defending National Basketball Association champions.

It was Chicago's 18th consecutive victory over Detroit.

"I always compare it to a championship fight," Collins said. "The first punch a guy gets in the nose, it's like, 'Do I want any part of this?' I felt like both times when we played the Bulls, we were tentative. The Bulls were in control. This game was never in doubt."

Neither was the identity of the NBA's top team. Chicago is 25-3. Detroit (20-6) entered the game with the league's second-best record, but left it tied with Utah for third-best.

"This team has a good record, but we don't put too much emphasis on beating Detroit," said Michael Jordan, who had 23 points and 10 rebounds. "We haven't faced New York yet. We haven't faced Cleveland yet. And Miami beat us here. So we don't know where Detroit stacks up."

Scottie Pippen, who had 27 points, eight rebounds and eight assists, said: "They feel like one day they're going to get over the hill, but it's great for us to keep them down."

NBA Roundup

In the late-1980s and early '90s, the Pistons stood between the Bulls and greatness. With Isiah Thomas, Bill Laimbeer, Rick Mahorn and Dennis Rodman, the Pistons used to regularly frustrate the Bulls.

"Detroit was a nemesis to myself and Scottie early in our careers, and we have no trouble getting focused to play against them," said Jordan.

Rodman, now with the Bulls, had 22 rebounds, 11 points and seven assists as his current club outrebounded his old team, 51-37.

Grant Hill scored 27 points in an entertaining battle with Pippen.

After Detroit pulled to 83-74 with 8:25 to go, Pippen hit a 3-pointer and Jordan converted a 3-point play to make it a 15-point game. The Bulls held double-digit leads the rest of the way.

Lakers 108, Suns 87 Shaquille O'Neal had 26 points and 16 rebounds to lead the visiting Lakers to their sixth straight victory over Phoenix and their third this season.

Eddie Jones took up the slack when O'Neal wasn't working the baseline for turnaround jumpers or driving for dunks. Jones scored 12 of his 24 points in an eight-minute stretch of the third quarter. He also had five steals to increase his NBA lead.

Sam Cassell scored 17 points for the Suns, but his 3-of-8 shooting typified the Suns' cold night. Phoenix was 26-of-74 (35 percent).

Rex Chapman and Danny Manning scored 15 each for the Suns, while Elden Campbell had 13 points and 12 rebounds, helping the Lakers to a 53-39 edge.

DENNIS THE MENACE



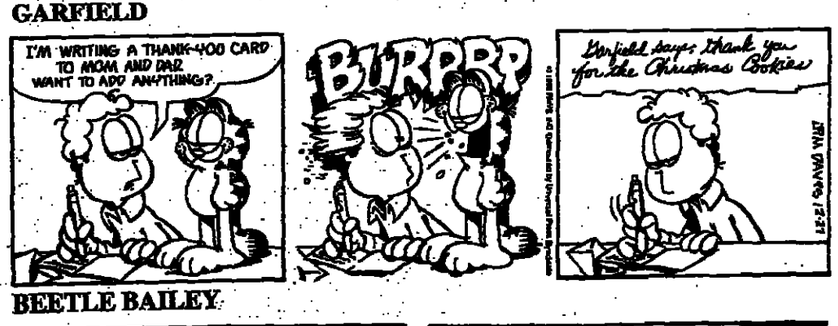
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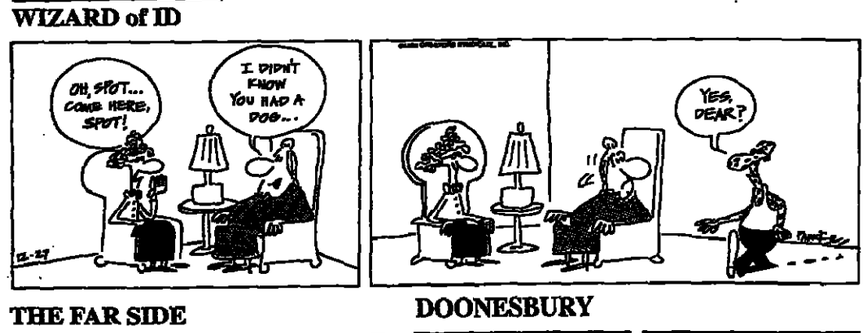
CALVIN AND HOBBES



GARFIELD



WIZARD of ID



BEETLE BAILEY



THE FAR SIDE



"Think about it, Murray. ... If we could get this baby runnin', we could run over hikers, pick up females, chase down mule deer – man, we'd be the grizzlies from hell."

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POSTCARD

American Cityscapes

By Nora Kerr
New York Times Service

NEW YORK — The tourist tide now coursing through Times Square, America's newest theme park, is but one sign of a spirit of urban renewal and architectural possibility that animates even the traditionally difficult New York cityscape.

A 47-story office and retail tower, designed by Fox & Fowle, will become the new home of Conde Nast Publications, on Broadway between 42d and 43d Streets. The building is expected to anchor and extend the area without undermining its character as an entertainment strip.

An earlier plan for four huge office towers straddling Times Square, designed by Philip Johnson and John Burgee, was abandoned by the end of the '80s in the wake of nearly universal scorn and a collapsing real estate market.

□

Farther north, at Columbus Circle — another dramatic and contentious corner of Manhattan — a similar sense of possibility is in the air. Earlier this year, city and state officials set new guidelines for development of the Coliseum site and expanded the area to include the Moorish-looking 10-story building at 2 Columbus Circle, by Edward Durell Stone.

By November, nine developers had submitted proposals for the spot, ranging from a high-tech amusement park and rooftop arena to an eight-store retail mall anchored by Sears.

Officials culling finalists for the Coliseum project are expected to make a choice in the spring. Meanwhile Donald Trump's Midas touch-up of the formerly drab Gulf & Western office tower and the renovation of the southwest entrance to Central Park are adding luster to the area.

Nearby, on 57th Street, a slim 23-story tower went under construction only weeks after plans were completed, though in this case it was private, not public, money at stake.

The building, the first American commission for the French architect Christian de Portzamparc, a Pritzker Prize winner, is being built for Louis Vuitton, the manufacturer of luxury leather goods. It will be sheathed in specially designed glass that turns from clear to opalescent white. At night, hidden neon tubes will wash the exterior in soft colors.

□

Elsewhere, Rem Koolhaas, the Dutch architect who has made a specialty of thinking big, also won his first American commission this year. In March, a week after publication of his "S, M, L, XL," 1,344 pages of writings and designs, MCA named him master planner for Universal City, the media giant's Los Angeles headquarters.

And in San Francisco, the new Main Public Library, by James Ingo Freed of Pei Cobb Freed & Partners, drew praise for providing room for imagination within the deceptively classical walls of a temple of reason.

Designed to fit into the Beaux-Arts context of its Civic Center neighbors, the building presents a modern interior: a cylindrical six-story atrium with a spiral skylight and a cantilevered, glass-enclosed space four stories above the floor.

Russell Baker is on vacation.

Poof! Questions About Magic Go Up in Smoke

By Douglas Martin
New York Times Service

NEW YORK — Two or three times a day, people fill each of the 1,282 seats of the Martin Beck Theatre. By Sunday, when "Dreams and Nightmares" ends its run, they will have paid more than $6 million to see David Copperfield perform, making his five weeks there the most lucrative in the history of Broadway.

My assignment is to find the truth behind the swirling smoke, a path I fear could lead to the essence of magic itself. How does the man who seemed to make the Statue of Liberty disappear do it? Merlin's values, deception and secretiveness, will be tested against a journalist's commitment to literal truth.

At least this odd job got me in to the hottest show on Broadway, three times as it turned out. I joined an expectant crowd. "Anybody figured anything out yet?" a man said 20 minutes before the start. A little girl asked her mother if Copperfield would turn her into a rabbit. Maybe.

Poof! The star materialized in a suspended elevator. Almost before you could say hocus pocus, a beautiful woman in a red dress was made to evaporate, only to reappear instantly exactly where we thought Copperfield was.

Close-up prestidigitations were projected on a screen. People gasped when the magician folded tissue paper into the form of a rose and made it dance a jig. Then he set it afire. Presto! A real crimson rose.

All of this coalesced in my mind as a splendiferous blur, the precise intention. It happened the next day, too. But as for the question that percolated through the entranced crowd like a mantra — "How did he do that?" — I was clueless.

Experts might tell. I made my way to Flosso-Hornmann Magic Co., near Herald Square, founded in 1856 and once owned by Harry Houdini. The current owner, Jackie Flosso, a magician himself, delivered the dismissive message I would hear repeatedly: Those who know do not speak, and those who speak do not know.

At another emporium, Magic Max in Times Square, the reply was the same. "I could tell you how he does it," said John Feliciano, the counter man. "But it's not right."

Things were no less frustrating when I visited Joseph Gabriel, a nimble magician performing off Broadway at the Lamb's Theatre. His finale involves making a New York cab instantly materialize, the ultimate New York miracle.

So just how does he think Copperfield does levitations? "Very well," replied Gabriel, smirking.

Next was David Roth, called "the best coin man in the world." He likened the exposure of magical technique to a documentary on the making of "Star Wars" that showed the starship Galactica as a small model. Seeing this, he said, made it impossible to be awed by the vehicle. "You can never again see the magic," he said.

This profession of tricksters was beginning to seem the tightest of fraternities. Its clubhouse is the coffee shop of the Edison Hotel on West 47th Street in Manhattan, where magicians have hung out for more than half a century.

Mike Bronstein, introduced as "host of the magicians' table," said it was better not to know how wonders happened for the same reason that undressing an attractive woman can diminish her allure. But Jim McGrath, a confederate, volunteered to tell all.

"The secret is Abracadabra, the magic word," he said solemnly. "Some magicians might use another word, of course."

Thanks. And the competition, The New York Post, had just scooped me with a splashy article saying Copperfield's illusions were facilitated by salting the crowd with paid "stooges" to pose as volunteers. This was something I had begun to suspect. But I urgently needed help and begged a magically inclined friend to attend the show with me.



Sara Krulwich/The New York Times
David Copperfield performing in "Dreams and Nightmares."

As the show began, she said, "The fact the background is black and the lights are pointing out at you means he can get away with murder. Whatever he was going to do, he's already done it."

Her theories flowed like a welcome river. Is it possible those are someone else's toes on the lower half of the magician? Could Copperfield have a double? Is it possible the woman in the red dress has an onstage twin? The light silhouetting Copperfield's form almost surely alters the perception of where he really is, she whispered.

When Copperfield reappeared for the second act in a bulky sweater, she immediately suspected he was concealing harnesses for his flight. But wait a minute. Weren't hoops passed over Copperfield's airborne body? Her response: Magicians' hoops are always rigged.

All this amounts only to very informed suspicion. I next clicked on one of the many magicians' chat rooms on the World Wide Web. One message says that Copperfield uses audience plants in "a host of his effects." Another calls his flying "beautiful, if boring" and gives the name of the rigging company the message writer is convinced made his harness.

At this point, lightning struck, an investigative reporter's dream: a disgruntled employee. An anonymous caller said he worked as an audience plant in the show, specifically one of the seeming volunteers who rise high above the stage on a levitating couch. He was angry about repeatedly being paid his $40 a performance late.

I said I could not trust him unless he gave me his name. He said he would think about it. He called back and gave it to me: Seth Greenspan. To prove his validity, he produced 11 used complimentary tickets he had picked up at the box office so he would appear to be just another paying customer.

Greenspan told a tale of immensely sophisticated legerdemain. But was it reasonable to believe that the 20 or so audience plants assembled an hour before shows in Room 1055 of the Ramada Inn, as he said? His tale of watching Copperfield coach identical twins seemed like science fiction.

If true, what should be made of this? The person to ask was Charles Reynolds, one of the great inventors of magical tricks. He orchestrated Doug Henning's and Harry Blackstone Jr.'s Broadway shows, devising different ways for each to make an elephant disappear.

"Look, you can't write this story," he said. "You'll hurt David, and, more important, you'll hurt magic."

Reynolds explained that all of magic consisted of perhaps a dozen tricks — appearing to cut a person in half, walking through walls and so on — with myriad variations. What is important, he said, is the overall theatrical effect. Nobody questions whether Hamlet's sword really drips blood.

What magicians do, Reynolds said, is by definition harmless, completely different from the deception of a three-card monte artist, though the sleight of hand is similar. Magicians don't deceive, they control the perception of willing people.

"Everybody wants to believe in magic," he said. "If you tell how illusions work, it's like telling children there is no Santa Claus."



Barbara L. Johnston/Reuters
DEJA VU ALL OVER AGAIN — James Gallagher as George Washington, left, and some friends crossing the Delaware River in the 44th annual re-enactment.

PEOPLE

THE fire-breathing, blood-spitting rockers **Kiss** pulled in a whopping $43.6 million during their reunion tour this year, making the band the top earner in the concert industry. Kiss beat acts like **Garth Brooks, Neil Diamond** and **Rod Stewart,** the concert industry trade publication Pollstar reports. Concert fans spent an estimated $1.05 billion in 1996, up slightly from $950 million in 1995 but not approaching the record $1.4 billion set in 1994. The increased dollar volume was largely due to higher ticket prices and masked a particularly weak showing for many veteran artists out on the road, said **Gary Bongiovanni,** Pollstar's editor. Kiss was the spectacular exception, as legions of fans — called the Kiss Army during the band's 1970s heyday — trekked to their shows. The band reunited its original members, donned cumbersome costumes and used truckloads of special effects for 92 dates. The summer's other high-profile rock reunion — of the **Sex Pistols** — didn't even register in Pollstar's top 50 concert draws.

□

Robert Redford thinks movies at his Sundance Film Festival are becoming too violent. After viewing a few films in the '95 festival, including "Shallow Grave" and "The Basketball Diaries," Redford confides in January's Interview magazine, "I could barely eat for 24 hours because they were so loaded with violence." Redford, who founded the Sundance festival in 1981 to showcase films that aren't made with studio money, says he hopes next month's festival won't use violence and sex to sell tickets. "There are too many films here that have token violence that's appealing to the commerciality of the marketplace. That's when I said, 'Let's be aggressive about finding edgier, more experimental, riskier films that don't depend on anything formulaic whatever.'"

□

The British actor **John Cleese** had his doubts about working on "Fierce Creatures," a sort of sequel to the immensely successful "A Fish Called Wanda." "The tough thing is that they only make follow-ups of successful films," says Cleese. "And once a film has been accepted as really successful, people go and watch the follow-up and say it's very good, but not as good as the original." Cleese, who rejoins "Wanda" co-stars **Michael Palin, Jamie Lee Curtis** and **Kevin Kline** in the upcoming sequel, added: "This problem could be circumvented if they only made sequels to films that were complete disasters."

□

"Friends," the salary saga, has ended. After months of negotiations, Warner Bros. Television signed a new contract with the entire cast of the hit comedy through the 1999-2000 season, a studio spokesman said. Sources told Daily Variety that the six cast members would get roughly $75,000 per episode for this season, an increase from the $30,000 to $35,000 they received for the first two seasons. The cast members will earn $120,000 per episode in three years. **Jennifer Aniston, Courteney Cox, Lisa Kudrow, Matt LeBlanc, Matthew Perry** and **David Schwimmer** said last July that they wanted more money after Warner's syndication arm sold reruns of the hit to TV stations for about $4 million per episode.

□

If it's Christmas, **Bob Hope** must be entertaining U.S. military personnel somewhere. This year, it happened to be under water. The 93-year-old entertainer sent a videotape of his November NBC-TV special "Laughing With the Presidents" to the crew of the U.S. submarine Topeka at the request of **Harry (Butch) Felker,** mayor of Topeka, Kansas. The crew of the city's namesake boat is away for six months, the mayor told Hope. In a letter accompanying the video, Hope wished the sailors a Merry Christmas and referred to his earlier overseas trips. "Some of my fondest memories are of entertaining the troops and I'm not going to let a little bit of water stand in my way this year," he said.



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